

S. HRG. 113-133

# *Senate Hearings*

*Before the Committee on Appropriations*

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Department of the Interior,  
Environment, and  
Related Agencies  
Appropriations

*Fiscal Year* 2014

113<sup>th</sup> CONGRESS, FIRST SESSION

DEPARTMENT OF AGRICULTURE  
DEPARTMENT OF THE INTERIOR  
ENVIRONMENTAL PROTECTION AGENCY  
NONDEPARTMENTAL WITNESSES

Department of the Interior, Environment, and Related Agencies Appropriations, 2014

**DEPARTMENT OF THE INTERIOR, ENVIRONMENT,  
AND RELATED AGENCIES APPROPRIATIONS  
FOR FISCAL YEAR 2014**

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**HEARINGS**

BEFORE A

SUBCOMMITTEE OF THE  
COMMITTEE ON APPROPRIATIONS  
UNITED STATES SENATE

ONE HUNDRED THIRTEENTH CONGRESS

FIRST SESSION

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**Department of Agriculture  
Department of the Interior  
Environmental Protection Agency  
Nondepartmental Witnesses**

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U.S. GOVERNMENT PRINTING OFFICE

78-060 PDF

WASHINGTON : 2014

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**DEPARTMENT OF THE INTERIOR, ENVIRONMENT, AND RELATED AGENCIES APPROPRIATIONS FOR FISCAL YEAR 2014**

WEDNESDAY, APRIL 24, 2013

U.S. SENATE,  
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,  
*Washington, DC.*

The subcommittee met at 9:35 a.m., in room SD-124, Dirksen Senate Office Building, Hon. Jack Reed (chairman) presiding.

Present: Senators Reed, Udall, Begich, Murkowski, Cochran, Blunt, and Johanns.

**ENVIRONMENTAL PROTECTION AGENCY**

**STATEMENT OF BOB PERCIASEPE, ACTING ADMINISTRATOR AND DEPUTY ADMINISTRATOR**

**OPENING STATEMENT OF SENATOR JACK REED**

Senator REED. I would like to call the hearing to order and welcome everyone. Good morning. On behalf of the Interior, Environment, and Related Agencies Appropriations Subcommittee, welcome.

This is our first budget hearing this year. It will be a hearing on the fiscal year 2014 budget request for the Environmental Protection Agency (EPA). I am very pleased to welcome Acting Administrator Bob Perciasepe to testify before the subcommittee. Mr. Administrator, thank you. And also, we are grateful that Acting Chief Financial Officer Maryann Froehlich is also with you. Thank you, Maryann.

Let me make a few acknowledgments before we begin. First, I would like to thank and recognize my ranking member, Senator Murkowski, not only for joining us this morning, but for her great efforts over the last several years to work collaboratively and effectively to craft these budgets, which are very challenging.

I simply could not have a better colleague and partner in these endeavors than Senator Murkowski. And I want to personally thank her for these efforts, and also for her very talented staff. Thank you, Senator.

I would also like to acknowledge that we have added four new members to the subcommittee this Congress: Senators Udall, Merkley, Begich, and Johanns. I welcome each of these Senators and look forward to their contributions.

At some point this morning, the Chairwoman, Chairwoman Mikulski might arrive. When she does, I will at that point, at the ap-

propriate moment, suspend and give her an opportunity to make any statement that she might want.

But we are very gratified to have Senator Mikulski as the chairwoman of the full committee. She served many years on this subcommittee, and she has a particular appreciation and regard for the efforts of the EPA. So we are multiply fortunate in that regard.

Now, turning to the budget, the President's fiscal year 2014 budget request includes \$8.15 billion for EPA. That amount is \$173 million or 2 percent less than the fiscal year 2013 enacted level of \$8.32 billion.

Unfortunately, there is not a lot of good news to discuss in this reduced budget request, but there are a few items that I wanted to highlight as we begin this conversation, including a 6-percent increase to EPA's operating programs above the fiscal year 2013 level.

Within that amount, I am pleased that the administration proposes \$2 million for a geographic program to restore southern New England watersheds. I worked closely with the EPA for several years on this effort. It is extremely important, not just to Narragansett Bay, but to the surrounding waters in Massachusetts and Connecticut. So I am grateful that the EPA leadership has moved forward on this initiative.

The budget request also provides \$73 million for the Chesapeake Bay Program and flat funds the National Estuary Program at \$27 million. It includes a new \$60 million E-Enterprise Initiative to improve electronic data collection and sharing to ease the reporting burdens on regulated entities, and we may get into that in the questioning.

And finally, it is worth noting that the request also includes a nearly 5-percent increase in grants that help States and tribes run their environmental permitting and monitoring programs, including increases in safe air and water pollution control grants.

Of course, despite these good investments, I am disappointed with the overall budget level. This is the fourth year in a row that EPA's budget request has contracted, which makes it difficult for this subcommittee to hold the line on the EPA budget when our final bill is enacted.

And I am particularly concerned about the specific areas in this budget that were identified for cuts. I am most disappointed that the largest reductions, again, were made to clean water and drinking water State Revolving Funds (SRF) which are cut by 19 percent less than fiscal year 2013 levels.

I really find it hard to understand how these proposed cuts square with the President's focus on job creation and infrastructure development. You know, we have discussed these statistics before in this subcommittee, but they are worth repeating. Just take my home State, and we could take the State of any of my colleagues at this dais.

In Rhode Island alone, we need \$1.5 billion in identified needs for clean and drinking water projects; that is \$1.5 billion in the smallest State in the country. Yet, the State is only slated to receive \$15 million in water infrastructure grants in this budget request, which is about \$3 million less than what I expect them to receive in fiscal year 2013.



Mr. Perciasepe, I know EPA faced tough decisions when you put this budget together, but it just does not make sense why we should focus such large cuts in programs that create jobs and help meet an enormous public health need, infrastructure need, economic productivity need in every State in this country.

And since every \$1 we spend for the SRF generates more than \$2 in projects on the ground, that means we are walking away from opportunities to further leverage Federal investments with local funds and other funds.

I am also concerned about a number of other reductions to the budget, including your proposal to eliminate \$10 million in BEACH Act grants that help Rhode Island and other coastal States. And I do not understand why your budget, again, proposes to eliminate nearly \$10 million in funding for a centralized environmental education program.

We have just been through two major hurricanes in the last several years, Irene and Sandy, and the expectation is that we will have more hurricanes. That means our beach erosion is going to be exacerbated. And unless we take steps to just try to modify these beaches and protect them, we are going to lose not only beaches, we are going to lose communities, and we are going to tear up the social fabric of States up and down the east coast, and I would expect this and similar comments could be made by my colleagues on their coast.

There is another area, funding for the Diesel Emission Reduction Act grants is cut by 70 percent, for a total of \$6 million cut. And it is also worth noting that your request trims 10 percent from the Brownfields Program, even though these grants fund local clean-up and job training efforts that redevelop communities and put people to work.

Mr. Perciasepe, I remain concerned about all these reductions, and I look forward to having a chance to discuss them further with you and to work on restoring these cuts through the appropriations process.

And now, let me turn to my ranking member, Senator Murkowski, for any comments she might have.

STATEMENT OF SENATOR LISA MURKOWSKI

Senator MURKOWSKI. Thank you, Mr. Chairman.

And I appreciate your kind remarks about our ability to be working together on this very important budget, and the work that both of our staffs do. As you have indicated, I think it is a great working relationship. We have been able to do some good things in the past, and I look forward to doing so this session as well.

I would like to welcome our Deputy Administrator, Mr. Perciasepe and Chief Financial Officer Froehlich to the subcommittee. Good morning to you.

Most of my questions for you this morning will involve policy issues but first, I want to applaud and recognize the effort to maintain the Alaska Native Villages Program at \$10 million within the budget request. Rural Alaska, as you know, faces some very, very serious challenges in meeting the need for wastewater improvement. So I appreciate that you have included these funds at a time,

as the chairman has noted, of very, very tight budgets. I hope that we can do more, but we will be working with you in that regard.

I also want to thank you personally for meeting with my staff following last year's budget hearing. There were about a dozen different EPA issues that were noted at that hearing. The commitment was made that we would work together, follow through with some, and you have helped us in that regard.

Now, some of these issues are very specific to the unique circumstances of my State, but in fairness, most of them reflect the same problems that communities around the Nation are facing with EPA's regulatory actions.

I do have some concerns over a number of rulemakings that the EPA is working on, and their impact on the national economy, as well as their impact on Alaska. I hope that you and your staff will continue to meet with us, dialogue with us on this again this year. And I look forward to discussing that, among other things, when we meet later this week.

When Administrator Jackson appeared before this subcommittee last year, I told her at that time that I hear more complaints from the people of Alaska about the EPA than any other Agency out there. And I can assure you that even given the passage of time and the work that has gone on, those complaints remain the same. EPA, unfortunately, is still number one in the views of many Alaskans as not necessarily a good thing.

The sheer number of rulemakings the EPA is currently proposing, the cost of compliance with the vast array of regulations already on the books and what, at times, are the unreasonable consequences of their enforcement. It is very frustrating to the public.

In the past month alone, the EPA indicated its plans to not only finalize regulations for greenhouse gases on new powerplants this year, but also to get a significant start on rules for existing powerplants in fiscal year 2014. EPA also unveiled new draft rules concerning the sulfur content in gasoline. And last Friday, it announced new rules for concerning water discharges from powerplants.

And putting aside the merits of these various proposals, no one can dispute their far-reaching impacts, from effectively barring the construction of new coal-fired plants, to raising the cost of gasoline by as much as 10 cents per gallon for the average consumer, even though our economy continues to sputter and unemployment remains high.

What I have done is I have asked my staff to keep a list of the current rulemakings that are affecting Alaska, our energy supply, or both that the EPA is working on. Our list, at this point in time, is up to about 60 different rulemakings; not 16, but 60 current rulemakings, and there is a fair chance that we may have missed one or two. So you can understand how the public feels when they just feel that there is this barrage of regulations coming at them.

I would like to leave the subcommittee, my colleagues, with one example here this morning, and I think it is a pretty vivid example that demonstrates this point. This comes from constituents in Soldotna, Alaska down on the Kenai Peninsula, a small, little community. It is a husband and wife. They are both veterinarians.

They own a veterinary clinic, and one of the services that they provide for the community is cremation of animals.

When “Fluffy” decides that it is time to give up the ghost, this veterinary clinic provides for cremation for the family pets. And more often than not, it is used during the wintertime when you cannot bury your animals because the ground is frozen and burial is not possible.

Now, as I understand it, EPA sent them a notice after the comment period had closed. So this small veterinary clinic gets a notice from EPA about proposed changes in the rules for commercial and industrial solid waste incineration units. And when they called to learn more, even though the comment period was closed, the EPA official said that all incinerators, even the small ones like this very small animal incinerator in Soldotna, Alaska would have to undergo what is called “annual source testing”. And this testing, which is designed for larger commercial facilities, exceeds a cost of \$50,000 annually. That is more revenue than the clinic generates in a year from operating any incinerator.

According to the veterinarians, the EPA official said that the Agency had no leeway in allowing exemptions, even for low levels of emissions, and that essentially its hands are tied. Now, we are still looking into this. We are still gathering the facts. I do have a copy of that letter.

And Mr. Chairman, I have actually asked that the letter be included as part of the record.

Senator REED. Without objection.

[The information follows:]

TWIN CITIES VETERINARY CLINIC,  
Soldotna, AK.

DEAR SENATOR MURKOWSKI: My wife and I are veterinarians and the owners of Twin Cities Veterinary Clinic in Soldotna. As part of our veterinary service we provide pet cremations for clients who desire an alternative to burial (or quite frankly landfill disposal) as a respectful means to care for the remains of their deceased family pet. I am writing to you as a constituent and small business owner who is concerned about significant burdens that will soon be imposed on small businesses like mine by recent regulations adopted by the Environmental Protection Agency. The recently passed Clean Air Act included regulations for commercial incinerators and combustion units. Some of the changes were announced in March 2011 for CISWI (Commercial and Industrial Solid Waste Incineration) units. Apparently the “new and improved” testing standards were written with large scale commercial incinerators in mind, but these standards failed to make any reasonable exceptions for small, low-volume units such as mine (a small animal pet cremation unit).

Let me give you a bit of history as to how I was alerted of these proposed changes. I received a letter on February 22, 2012, notifying me that the EPA had proposed CISWI changes on December 12, 2011. Any interested parties could submit comments up until the closure of the “public comment period” which ended February 21, 2012. Naturally one would ask, “How am I to provide comment on something I was made aware of one day after the closure of the open comment period?” I called the EPA office number provided and left a voice mail with Heather Valdez (Seattle, Washington). Heather was kind enough to return my call the next business day and she answered some questions about how this change will impact me in the next 3–5 years. You may want to research the details to confirm the facts, but below is what gathered from my conversation with Ms. Valdez:

My business would fall under the Clean Air Act “section 129 CAA requirements.” These OSWI (Other Solid Waste Incinerator) regulations are proposed to take effect in 3–5 years. Under these regulations all incinerators are required to perform “Annual Source Testing” to determine if the unit is meeting EPA output and emissions standards. When I inquired what source testing entails, Heather noted that this testing, which is typically designed for larger commercial facilities (i.e. units that burn 250 tons/day), often exceeds \$50,000 per annual test—and it is charged to the

owner. She admitted that this testing is not really reasonable or likely affordable for small units like mine (especially given that some provide less than \$50,000 in gross cremation services per year). But based on the current regulations the EPA is given “no leeway” in the enforcement of this testing regulation and there are “no exemptions” allowed. In her defense, Heather was quite honest and forthcoming about the impacts of the regulation on small businesses like mine. She suggested I contact any cremation trade organizations to garner their support. She also recommended I contact my representatives in Washington to encourage a legislative remedy as the EPA’s hands are essentially “tied” to enforce the regulation at this time.

As you can imagine I am somewhat irritated by the timing of this announcement in relation to the comment period. Having received this notice 1 day after the public comment period is ludicrous! How can a Government agency (that my tax dollars support) propose and enact regulations, without proper notification, and without allowing time for those affected a chance to comment on the impact of these measures? This type of activity leads me to believe the EPA is not accountable to anyone, and therefore makes decisions irrespective of how it may harm the individuals they are hired to serve.

In addition, I don’t see the need to further regulate small incinerators like mine that provide such a small output of emissions. Presently we voluntarily contract Periodic Maintenance Inspections (PMIs) from the manufacturer of our cremation unit. These inspections ensure the safety and efficiency of our cremation unit. The more efficient our unit burns, the less gas we use, and the less emissions we produce. It is in my best interest for both the business and the environment to keep my unit running efficiently and maintained at factory standards.

Senator Murkowski, I hope that you or your staff will have the time to look into this regulation. I’m sure that other veterinary hospitals, pet cremation providers, and even human cremation providers will be significantly impacted by this change. If the projected costs for Annual Source Testing are anywhere near those noted by Ms. Valdez, my business and likely many others like it will not be able to feasibly absorb this fee. The likely end result is that we would not be able to provide this valuable service to our clients. I hope you can help find a solution to this issue for myself and other small businesses like ours across the country. Please review the enclosed copies of correspondence I had received from the EPA. I appreciate your consideration and would be eager to assist with any follow-up on this matter.

Regards,

JAMES DELKER, D.V.M.,  
*Twin Cities Veterinary Clinic, Soldotna, Alaska.*

Senator MURKOWSKI. But we want to work with your staff to see if this is the final answer. But I think you can see the problem here.

It would be outrageous, really, if this small family-run business has to stop providing a service for local families with pets because the cost of compliance with the regulations, of dubious environmental benefit at least in this instance, is just too high. But it is also emblematic of what many feel about the EPA that it is a vast bureaucracy issuing a dizzying number of rules that have enormous impact on their lives, while conversely, they may have very little input into EPA’s decisions. And I share these concerns.

So I look forward this morning, Mr. Chairman, to being able to ask questions of the Acting Administrator to understand a little bit more of the budget and the priorities. But I think this is an agency where, again, the impact on so many across our country, our families, our businesses, this is seen very much throughout what comes out of EPA. So very important this morning, and I appreciate your leadership in this oversight role.

Senator REED. Thank you very much, Senator Murkowski.

Just to establish our routine, we will use our normal procedures, recognizing Senators based on their arrival, alternating from side to side. And before I ask Mr. Perciasepe for his statement, is there

any of my colleagues that would to make very brief opening remarks or comments?

If that is not the case, then Mr. Perciasepe, your statement will be made part of the record, without objection. Feel free to summarize your comments.

Mr. Administrator, please.

SUMMARY STATEMENT OF BOB PERCIASEPE

Mr. PERCIASEPE. Thank you Mr. Chairman and Ranking Member Murkowski.

I appreciate the opportunity to be before you today and all the members of the subcommittee, to talk about our proposed fiscal year 2014 budget.

EPA's budget request of \$8.153 billion for 2014 fiscal year reflects our ongoing efforts to change the way EPA does business. To invest in more efficient ways for the agency to operate and to further reduce costs wherever possible, while preserving and enhancing our ability to carry out EPA's core mission to protect human health and the environment. It is the product of many internal discussions in the administration, and tough choices that you have already identified, in some cases.

In the end, we believe this budget will enable us to work toward the goals that the Congress has established for EPA to effectively and efficiently implement the laws.

Let me run by a few of the key highlights, and I will try to be quick.

Despite these fiscal challenges, supporting State and tribal partners, they are our key partners in implementing the Federal environmental statutes that have been enacted, remains a priority for EPA. And the State and tribal assistance grants account for nearly 40 percent of our entire budget for fiscal year 2014. I want to point out that it includes a \$57 million increase more than the fiscal year 2012 enacted amount for specific grants to help States, tribes, and operations.

You have already mentioned, and I want to emphasize again, that we have done some disinvesting and reinvesting in the budget including a \$60 million project that we are beginning that we are calling E-Enterprise. It may sound a little bit esoteric, but really, what we are trying to do is move EPA and working with States and tribes into the 21st century in how you transact business with the rest of the world.

And we are learning from the States. Many States are starting to move in this direction. And what we are really looking at is something that is going to reduce regulatory paperwork, reduce our regulatory reporting burden, but at the same time make some of the work that we do together with States and tribes to be more transparent. We see this as an investment in the future of a more efficient operating EPA.

We also have, in fiscal year 2014, a request for \$176.5 million to support a variety of partners and stakeholders, and our own work on greenhouse gas emissions. It is important to note that this funding also includes support for successful programs like ENERGY STAR, the Global Methane Initiative that we work on, greenhouse gas reporting programs, SmartWay, which is a program we work

on with the trucking industry, and several others. It also includes \$20 million on research of some of the impacts of climate change as we start to look at mitigation.

Nutrient pollution is a pretty important problem throughout the country in our waterways, and we have requested in this budget a \$15 million increase in State grants to help the State agencies begin that process of putting plans together that more specifically coordinate for nutrient reductions.

You mentioned the SRF, again, a number of painful choices here, but we continue to fund these SRF at \$1.1 billion for clean water and \$817 million for drinking water. We have been capitalizing these funds, the clean water one, since 1987 and the drinking water one since 1996 when the Safe Drinking Water Act Revolving Fund was created. And when we get into the Q&A, we could talk about how they are currently operating.

But we are also—I think this is pretty important—working with the Conference of Mayors, the Association of Water Quality Agencies, and the National Association of Counties on, what we call, an integrated planning, or really, basically, it is trying to get ahead of the curve on trying to deal with the issues that we have at the municipal level. Look for lower cost ways to solve some of the problems.

And I am sure most of you have heard of the concept of green infrastructure, which is very helpful in some parts of the country that will allow us to find more cost-effective ways and a better life-cycle cost for some of the infrastructure.

So even though the annual capitalization of the SRF has declined through the years, in addition to the amount that is already there, plus looking at new, more cost effective ways to solve the problems, we are hoping that we can continue to make the progress we need to make.

We also have \$1.3 billion for land cleanup. This is Superfund. This is emergency response. This also includes funding for Brownfields Programs as well, and some of those are included in our State grants.

We have \$686 million for chemical safety. This includes both pesticides and other chemicals in commerce, and looking at how we can make sure—well, first of all, we want to make sure we are processing and working through the risk assessments that we have to do for pesticides in a timely fashion, and appreciated the support from the Congress last year on the Pesticide Registration Improvement Act.

Finally, we are looking at some of these hard choices you mentioned. Our budget includes \$54 million in savings, some of which is reinvested in programs that, we think, other people can carry on or that their level of effort has declined and we need to shift the funds to other activities.

And then you noted a number of programs have received a larger than the rest reduction as we look to build some of these other programs.

Finally, I will just say in addition to looking at how we operate with things like E-Enterprise and doing that we have a governance system with the States that we are using to move in that direction together.

We are also looking at our own infrastructure, how many buildings EPA occupies. How many labs do we have? How do we consolidate and modernize where necessary to shrink the space and/or improve the energy profile? And we continue to save money.

PREPARED STATEMENT

We have moved away from more than 400,000 square feet of rented space in the last number of years, and we also continue to save money on some of our operating costs. So we are very excited about some of that work in terms of our own improvements.

So I will stop there with that very brief summary, Mr. Chairman and Ranking Member Murkowski, and we will get onto the questions.

[The statement follows:]

PREPARED STATEMENT OF BOB PERCIASEPE

Chairman Reed, Ranking Member Murkowski, and members of the subcommittee, thank you once again for the opportunity to appear before you to discuss the Environmental Protection Agency's (EPA's) proposed fiscal year 2014 budget. I'm joined by the Agency's Acting Chief Financial Officer, Maryann Froehlich.

The President's fiscal year 2014 budget demonstrates that we can make critical investments to strengthen the middle class, create jobs, and grow the economy while continuing to cut the deficit in a balanced way. The budget also incorporates the President's compromise offer to House Speaker Boehner to achieve another \$1.8 trillion in deficit reduction in a balanced way. By including this compromise proposal in the budget, the President is demonstrating his willingness to make tough choices. EPA's budget request of \$8.153 billion for fiscal year 2014 starting October 1, 2013, reflects our ongoing efforts to change the way EPA does business—to invest in more efficient ways for the EPA to operate, to further reduce costs wherever possible all while we preserve and enhance our ability to carry out the EPA's core mission to protect human health and the environment.

The President's budget reinforces our firm commitment to keeping American communities clean and healthy, while also taking into consideration the difficult fiscal situation and the declining resources of State, local, and tribal programs.

EPA's requested budget will allow us to continue making progress toward cleaner air, addressing climate change, protecting the Nation's waters, supporting sustainable water infrastructure and protecting lands and assuring the safety of chemicals.

It is the product of long discussions and difficult choices. In the end, we believe this budget will enable us to work toward EPA's goals as effectively and efficiently as possible.

Let me run through a few highlights from the President's fiscal year 2014 budget request.

Despite the fiscal challenges we face, supporting our State and tribal partners, the primary implementers of environmental programs, remains a priority of the EPA. Funding for States and tribes through the State and Tribal Assistance Grants account is once again the largest percentage of the EPA's budget request—at nearly 40 percent in fiscal year 2014. The fiscal year 2014 budget includes a total of \$1.14 billion in categorical grants.

We have requested a \$60 million investment in an EPA-wide initiative to develop new tools and expand systems designed to reduce the regulatory reporting burden on regulated entities, and provide EPA, States, and the public with easier access to environmental data for compliance monitoring and other purposes. This new initiative is fully paid for, so does not add a single dime to the deficit.

This project—what we call "E-Enterprise"—would enable businesses to conduct environmental business transactions with regulators electronically through a single interactive portal, similar to online banking. The paperwork and regulatory reporting burden would be reduced thanks to more efficient collection, reporting, and use of data, in addition to regulatory revisions to eliminate redundant or obsolete information requests. The initiative will encourage greater transparency and compliance.

The result will be widespread savings—for industry and for the States and tribes. For example, E-Enterprise builds on efforts such as the e-manifest system which is projected to reduce reporting costs for regulated businesses by up to a range of \$77

million to \$126 million annually, because it replaces the millions of paper manifests for hazardous waste shipments with a modern tracking and reporting system.

The fiscal year 2014 request also includes \$176.5 million to support the agency's work with partners and stakeholders to address greenhouse gas emissions and its impacts. These funds will help reduce emissions—both domestically and internationally—through careful, cost-effective rulemaking and voluntary programs that focus on the largest entities and encourage businesses and consumers to limit unnecessary greenhouse gas emissions.

Some of this funding will support existing, successful approaches like ENERGY STAR, the Global Methane Initiative, the GHG Reporting Rule, and State and local technical assistance and partnership programs, such as SmartWay. Approximately \$20 million will go toward research, so we can better understand the impacts of climate change on human health and vulnerable ecosystems. Our requested budget contains \$175 million to support our Clean Air Act-mandated work to develop, implement and review air quality standards and guidance. This funding will also allow EPA to enhance our support to our State, local, and tribal partners to implement the programs.

Nutrient pollution is one of the Nation's most widespread and challenging environmental problems. To assist in tackling this challenge, EPA is requesting an increase of \$15 million in Clean Water Act section 106 Water Pollution Control grant funding to support States, interstate agencies and tribes that commit to strengthening their nutrient management efforts.

Ensuring that Federal dollars provided through the State Revolving Funds support effective and efficient systemwide planning remains a priority for EPA. The fiscal year 2014 budget request includes \$1.1 billion for the Clean Water State Revolving Fund (SRF) and \$817 million for the Drinking Water SRF. This money will also assist EPA efforts to expand and institutionalize the use of up-front planning that considers a full range of infrastructure alternatives like "green" infrastructure, so that the right investments are made at the right time, and at the lowest life-cycle cost. This budget request will allow the SRFs to finance approximately \$6 billion in wastewater and drinking water infrastructure projects annually.

In fiscal year 2014, EPA is requesting more than \$1.34 billion for its land cleanup programs to continue to apply the most effective approaches to preserve and restore our country's land. This money will go toward developing and implementing prevention programs, improving response capabilities, and maximizing the effectiveness of response and cleanup actions. EPA is also renewing its request to reinstate the Superfund tax in order to provide a stable, dedicated source of revenue for the Superfund Trust Fund and to restore the historic nexus that parties who benefit from the manufacture or sale of substances that commonly contaminate hazardous waste sites should bear the cost of cleanup when viable potentially responsible parties cannot be identified.

Ensuring the safety of new or existing chemicals in commerce to protect the American people is another top priority. Chemicals are used in the production of everything from our homes and cars to the cell phones we carry and the food we eat. The \$686.2 million requested in fiscal year 2014 will allow EPA to continue managing the potential risks of new chemicals entering commerce, without impacting progress in assessing and ensuring the safety of existing chemicals. These resources encompass all efforts across the agency associated specifically with ensuring chemical safety and pollution prevention, including research and enforcement.

EPA's research budget provides \$554 million to support critical research in key areas, ranging from chemical safety to water sustainability to climate and energy to human health. This research will help advance the administration's commitment to healthy communities and a clean energy future.

Finally, let me discuss some steps we are taking to ensure taxpayer dollars are going as far as they possibly can.

The budget includes \$54 million in savings by eliminating several EPA programs that have either completed their goals or can be implemented through other Federal or State efforts. Adding to these savings and demonstrating a willingness to make tough choices, more than 20 EPA programs, are being reduced by 10 percent or more in fiscal year 2014.

EPA has also been laying the groundwork to ensure the best use of human resources, which will continue in fiscal year 2014. We will continue to analyze our workforce needs to achieve EPA's mission effectively and efficiently. This is reflected in our full-time equivalent request for fiscal year 2014, which is our lowest in 20 years.

We also continue to look for opportunities to consolidate physical space and reduce operating costs at our facilities nationwide. Ongoing improvements in operating effi-



ciency, combined with the use of advanced technologies and energy sources, have reduced energy utilization and saved nearly \$6 million annually.

In fiscal year 2014, we are requesting \$17 million in the building and facilities appropriation to accelerate space consolidation efforts, which will result in long-term savings in rent and operating costs. By consolidating space, we have, since 2006 released approximately 417,000 square feet of space at headquarters and facilities nationwide, resulting in a cumulative annual rent avoidance of more than \$14.2 million.

Mr. Chairman, thank you for the opportunity to testify today. While my testimony reflects only some of the highlights of EPA's budget request, I look forward answering your questions.

Senator REED. Thank you very much, Mr. Administrator.

We are going to do 6-minute rounds. I anticipate at least two rounds, and let me begin.

#### STATE REVOLVING FUNDS

No surprise, let's talk about the SRF. First, your own estimate suggests that in the next 20 years, we are going to have to spend, as a Nation, about \$633 billion on infrastructure: clean water and other water projects. The American Society of Civil Engineers has given our clean water structure a "D" grade. So there is no question about the need to do this.

And then the other aspect of this which, I think, you have to consider—and certainly the President does—is that these jobs put people to work at a time when we desperately need to do that.

So how do you justify the discrepancy between the huge cuts in this program and the huge needs, obvious needs, for infrastructure investment and also need for jobs?

Mr. PERCIASEPE. I have to sort of couch many of these questions as painful as they are with the painful choices that we have to make in the budget. And I actually was involved with setting up a SRF when I was the secretary of environment in the State of Maryland. And so, I have been at the very beginning of this program and recognize the real advantages of having it.

But we have also had appropriations and capitalization to this fund for the years since 1987, and in the last 5 years, we have put nearly \$20 billion into this program, including appropriations that were included in the American Recovery and Reinvestment Act. So the fund has a significant amount of capitalization, much more than the Congress originally envisioned.

So when I look at what actually happened in 2012 between the capitalization grants that EPA gave, the reuse of the repayments that come back in from loans that are already outstanding, and the leveraging of those loans, the SRF programs together, both water and drinking water, clean water and drinking water, funded almost \$7.7 billion of infrastructure improvements.

So when we look at that landscape and have to make these hard choices, we are trying to look at how we can make sure we keep capitalizing that fund so it keeps growing, but also working with the States and local governments on more efficient ways to use the fund and, perhaps, reduce the impact of what the Society of Civil Engineers were looking at in the long haul.

But there is no doubt about it that the country has a significant gap in funding of water infrastructure. And I think the challenge for us together is how much of that gets funded by the Federal Government versus local funds versus State funds.

But this was a tough choice we made. I am giving you some background as to what we think, how we continue to carry forward.

Senator REED. Just to elaborate. Even at the \$7.7 billion level times 20, and I am always suspicious of my math, roughly \$150 billion. Your 20-year projection is \$633 billion of work. So we are at a \$500 billion gap between what you need you have to do and what we are doing.

So even if that \$7 billion total is consistent with prior years or maybe a little up, it is greatly lacking the demand. So for the record, let's make sure we make that point.

#### HURRICANE SANDY SUPPLEMENTAL

Let me shift to a more detailed issue with respect. EPA receives \$600 million in mitigation, the recent Hurricane Sandy supplemental going to try to affect some of these water problems, both drinking water and other water projects. Many States, even adjacent States, did not get direct access to it.

But how are you using these funds to help out today? And what about those States that suffered in Sandy, but did not get direct access to funds like Rhode Island?

Mr. PERCIASEPE. Well, let me talk about the law as enacted and what we are doing.

We are working with New York and New Jersey, obviously, to allocate the funds that were developed for water and wastewater systems, and identify the priority facilities to receive that funding, to improve their resilience.

And I actually had the pleasure of being at a sewage treatment plant with you, Senator, after the floods in Rhode Island a couple of years ago where we did not move the plant but, working with our regional office, we actually looked at a way to make the plant more resilient for the next time it floods. Sewage plants are often located at the low point in town. And so, rather than move them and have the expense of pumping wastewater uphill, we want to make them more resilient, recognizing that they may be flooded.

And so, we are looking at places like that where we have found ways to do that, so that we can work with the two States to improve the resilience of some of those plants.

Now, in the Sandy instance, there are other funds that are involved. Federal Emergency Management Agency (FEMA) has funds, and part of that was appropriated plus their existing funding, to restore what was there, and there was also funding in the Community Development Block Grant program that the Department of Housing and Urban Development (HUD) has. So what we are trying to do in an interagency taskforce level, is to look at all those fundings together and how they would be impacted—how they can be impactful together.

So if you have funding from the SRF into the actual sewage treatment plant, can we use Community Development Block Grant funds to look at some of the conveyance system issues that may be in place, and look at techniques like green infrastructure, reduce the amount of runoff that gets to the sewage treatment plant during these high rain events.

So we are looking at how to integrate all that together and I guess that is a tail into the second part of your question about

what about the other States. I think that to the extent that they were in an area that is covered by the Stafford Act, we would be able to do, I hope, similar things like we did in Rhode Island to some of those plants in terms of using funds from FEMA and other sources to try to improve resiliency so that we reduce the impact of future events, which I think we have to predict will occur.

Senator REED. Thank you very much.

Senator Murkowski.

Senator MURKOWSKI. Thank you, Mr. Chairman.

#### BRISTOL BAY WATERSHED ASSESSMENT

Mr. Perciasepe, let's talk for a moment here about the Bristol Bay Watershed assessment that EPA is conducting.

I understand that we anticipate an announcement on this relatively shortly, is what I am told. But when EPA undertook this assessment after being petitioned to preemptively veto development within the area, EPA moves forward. The assessment is based on this hypothetical mine plan to predict impacts from mineral development. Obviously, this assessment is being watched very, very carefully by many Alaskans and, actually, many folks outside of the State.

I was just visited yesterday by individuals who live within the region or work within the Bristol Bay region, and we had a discussion about this assessment, whether or not EPA has sufficient funding to do a thorough assessment to really collect the massive data that will be required for study of a watershed area of this size.

We have asked, my staff asked numerous times, about how much is being spent on the watershed assessment. We still have not been able to receive an accounting of that and this is exactly what we try to do here in this subcommittee.

Can you tell me why we have not been able to receive this information up to this point in time? And then also in this same area is: when might we expect to see the announcement from EPA on the watershed assessment?

Mr. PERCIASEPE. I will get used to this in a second, the button. Thank you, Senator.

There are a couple of questions in there, but they are all related to the same point.

One of the—let me—the first part of it is when can we expect—we are hoping shortly to be—we are cognizant—

Senator MURKOWSKI. "Shortly" is an ill-defined term in the Congress. Can you give me anything better?

Mr. PERCIASEPE. Well, let me try, that we are very cognizant of the fishing season demands on people and we want to make sure that whatever we do is going to accommodate folks in the region to be able to have the time to be able to look at this report.

So I cannot say it is going to be next week, but it's, you know, we are within weeks of doing this so that we can have it out there during the May time period, so that people will be able to look at it. And then, let me work backward just a little bit to the other parts of the question.

One of the things that has created some complexity in analyzing all the full costs of this is how we responded to the peer reviewers on the first draft. And so, we had to see what they said, and then

figure out how we reconstruct it or responded to the advice we got from them, which is what we have now done, and now we are putting out this report.

So I think we will be, again, using a word that I can tell you are not completely comfortable with, we should be able to soon be able to tell you what those costs are now that we have put this final, another final draft together to put out for peer review again.

So I can tell you that I am going to try to make sure that we get that answer to you with the knowledge of what we have just done now on this other one.

In terms of adequate resources, again, it is related and so, you've got all this correctly connected. And that is when we got the peer review comments from the first draft and we had to pull different parts of EPA together to make sure we responded appropriately, that work was to make sure that we have the adequate resources to put to it. So we will now, once we get this next report out for public and peer review—and we are going to peer review it again, I think you know that—we will be in a position to be able to analyze what all the costs were that went into it.

Senator MURKOWSKI. Well, if you can encourage that shortly is sooner rather than later, as you know, fishing season is coming fast upon us. And again, we want to make sure that if the study is out there, that it is complete and it is thorough, but it seems to me that we ought to be able to get a better accounting.

#### AUTHORITY UNDER CWA SECTION 404

Let me ask you about a decision that came out of the D.C. Circuit Court yesterday. This was the decision concerning the Agency's retroactive veto of dredge and field permits that are issued by the Army Corps of Engineers. This is the *Mingo Logan Coal Company v. EPA*.

I have to tell you, I am concerned about what we have seen coming out of the Circuit Court here. If the EPA can withdraw, in effect, the Army Corps' permit at any point, how can you ever give the assurance that any permit is ever final if you have got this dangling out there that it can be removed almost unilaterally by the EPA?

And a couple of follow-ons to that is whether or not within EPA, how you are going to proceed with this authority, whether or not the EPA will use this authority preemptively.

What are the consequences of this court decision yesterday?

Mr. PERCIASEPE. I know that—I heard that the court decision was made, but I have not really had time to look at, nor have I gotten a summary, in the last 12 hours, of what exactly the court said.

But I can point out at a very high level, Senator, that the authority is in the Clean Water Act under section 404, since 1972, has been used 13 times in the history of the law. So it is not something that EPA takes very frivolously through all the different administrations that have used it. And that authority has been used in both Democrat and Republican administrations. So it is a very rarely used authority.

I do not have a good handle right now, in front of you, but maybe we might be able to talk about it later this week when we get together exactly what this does to that authority.

Senator MURKOWSKI. Well, I would appreciate the opportunity for that discussion. I know that this is going to be on the minds of many, many Members because, again, even though it has not been used on a very frequent basis. If you are looking to develop anything and the threat exists that your permit that has been issued could be retroactively pulled from underneath you, it injects a level of uncertainty in just about anything going forward, whether it is the coal mining or whatever the activity might be.

So I think we are all going to have to get up to speed on this a little bit more.

Mr. Chairman, I have exceeded my time, and I apologize.

Senator REED. Thank you very much, Senator Murkowski.

Senator Udall.

Senator UDALL. Thank you, Mr. Chairman.

#### URANIUM POLLUTION—INDIAN RESERVATIONS

And Mr. Perciasepe, thank you very much for your service. I am going to focus a couple of questions on the uranium pollution that has occurred on the Navajo Reservation and the Hopi Reservation, and this is a legacy issue that has been going on for many years. And I believe the EPA has been very active in this.

In fact, the EPA Region 9 recently concluded a 5-year plan to address uranium contamination on the Navajo Nation, and coordination with several other agencies including the Bureau of Indian Affairs, the Department of Energy, the Nuclear Regulatory Commission, and others, EPA Region 9 was able to take significant steps towards addressing uranium legacy issues on the Navajo Nation and the Hopi Nations.

It is my understanding that EPA is coordinating with other agencies to identify next steps in clean up of uranium contamination and expects to have a new 5-year plan for this region put together by this coming fall.

Additionally, EPA Region 6, which covers the rest of New Mexico, is currently carrying out a similar 5-year plan to address legacy uranium in my home State. I appreciate the Agency for taking these deliberate steps to address this important public health and environmental issue.

And my question is will Region 6 and Region 9 have adequate resources under this budget to continue these long overdue cleanup projects to address this toxic cold war legacy?

Mr. PERCIASEPE. The short answer is "Yes." The little bit of context is we are very proud of how we have moved forward on these legacy issues in the last 5 years, and we think that they are important and must be dealt with. And I am very happy with the coordination between the State, the tribe, Bureau of Indian Affairs, the other agencies, as you have pointed out, as well as between the EPA regions.

The only asterisk that I have to put on that, and I am not trying to make a statement here, I am just telling you, it is a real asterisk that you and the Appropriations Committee have to think of. If there is a sequestration, depending on how that falls down, there

could be some impact on some cleanup projects. We have already had impact on cleanup projects this year because everything was cut by 5 percent.

But with that asterisk, we expect to have the funding in this budget to be able to move forward on the first part of that 5-year plan.

Senator UDALL. Great. Thank you.

And I think your answer emphasizes the fact that sequestration really hits some long-term projects in a significant way. I do not want to see that happen because I believe that this is a project, as I said, long overdue, that has to be completed, and it is on a good track now, and we should not have to see it setback.

#### BROWNFIELDS

A question on Brownfields. Last month, I joined Senator Lautenberg, Senator Crapo and Senator Inhofe, to introduce the Brownfields Utilization Investment and Local Development Act. We call it the BUILD Act. This legislation would modernize and improve key elements of the EPA's Brownfields Program.

Since 2002, the successful program has funded the rehabilitation of abandoned and polluted properties to increase safety and attract new businesses to communities. In New Mexico, we have great success stories like the Santa Fe Rail Yard and the old Albuquerque High School. Two areas were revitalized from hazardous areas to become economically productive and important cultural spots.

I am concerned about the cuts to the Brownfields Program. This program leverages valuable private investment and pays dividends to economic prosperity.

Do you agree that there are more productive projects out there than this funding level will support? And if so, does EPA see any ways to help these limited dollars go farther?

Mr. PERCIASEPE. First of all, being a former city planner earlier in my career, this is one of my favorite little programs at EPA, and I think it has done more than many to enhance the quality of life in communities across the country.

In fact, I think there isn't an area, a place in the country that hasn't had some project along the lines that you have just mentioned where they can point to the fact that the flexibilities afforded in cleanups to get these properties to beneficial use and community-focused use faster. I just have to say it is oversubscribed.

One of the things that we have been doing in the last several years through an agreement with the Department of Transportation and the Department of Housing and Urban Development, is a sustainable communities memorandum of understanding (MOU) among the three agencies so we can look at how we can pool our resources in some of these communities.

So we may take a little longer to, perhaps, do a Brownfields Project, although we are working on it. That does not mean that we cannot be in that community doing some of the other preparatory work with Community Development Block Grant funds or some Transportation funds.

And I was just recently in Cincinnati where we are looking at additional Brownfields redevelopment sites along the route of their

light rail or trolley system that they are building through the Over-the-Rhine neighborhood. And at the same time, we are using HUD funds to do housing stabilization projects in that community.

So one part of that is the tri-party effort is to really work in those communities to get properties back into use, productive use, and to get the communities revitalized. We are looking at ways to be efficient with all the funds.

That is not the best answer, I just want to say, but it is something we should do regardless. And if we all had more money, we would go faster in more communities, there is no doubt about it.

Senator UDALL. Thank you very much.

Mr. Chairman, I have exhausted my time. Thank you.

Senator REED. Thank you.

Senator Blunt.

#### STATEMENT OF SENATOR ROY BLUNT

Senator BLUNT. Thank you, Mr. Chairman.

I have a statement for the record, and I will submit that.

[The statement follows:]

#### PREPARED STATEMENT OF SENATOR ROY BLUNT

Thank you, Chairman Reed and Ranking Member Murkowski, for holding this hearing today. I welcome this opportunity to examine the budgetary needs of the Environmental Protection Agency.

I would also like to thank Acting Administrator Robert Perciasepe for being here today.

EPA is requesting \$8.153 billion, which is \$296 million (3.5 percent) below fiscal year 2012 enacted levels. While this is a step in the right direction, I have serious concerns with the way the EPA is prioritizing spending.

For instance, the agency very clearly admits in its budget justification that as a result of fiscal cuts, EPA must make “difficult decisions resulting in reductions to support for water infrastructure.” State Revolving Funds, which provide critical support to how municipalities finance water infrastructure projects, will be cut by almost a half-billion dollars from fiscal year 2012 enacted levels. This continues the pattern of the continual cutting of Federal money for water systems over the past decade.

Yet your own agency has conducted studies finding that 30 percent of pipes in systems that deliver water to more than 100,000 people are between 40 and 80 years old. Further the EPA 2009 Drinking Water Infrastructure Needs Survey and Assessment found that our Nation’s community water systems will need to invest an estimated \$334.8 billion between 2007 and 2027.

In contrast, the EPA has requested \$176.5 million for climate change efforts, which is \$8.1 million above fiscal year 2012 enacted levels. The agency plans to use this funding to advance the pending proposal to set New Source Performance Standards (NSPS) for carbon dioxide emissions from new powerplants.

The proposed NSPS rule will set unprecedented standards under the Clean Air Act, harm our economy, and endanger electricity supply—which is almost 50 percent coal fired. Missouri is 82 percent coal fired. The proposed NSPS rule would effectively ban these new coal plants from being built.

This on top of the fact that many existing EPA regulations seek to prevent existing coal sources from making upgrades to improve efficiency and allow for more electricity generation with less fuel and less emissions.

Spending our Federal dollars to kill the use of coal in this country but not improve our Nation’s water infrastructure is a far cry from a common sense approach to protecting the environment.

EPA needs to expend Federal taxpayer dollars in a way which takes into account the cumulative way in which each agency regulation affects ratepayers. One such way is to let communities develop local plans that achieve the “biggest bang for the buck” toward environmental protection and keep rates affordable.

The agency should not spend taxpayer dollars on massive, burdensome regulations that hamstring the economy, kill jobs, and hike up electricity prices. This is not the right path forward for our country.

Thank you, and I look forward to your testimony.

Senator BLUNT. And I have some questions.

Mr. Perciasepe, you are the Acting Administrator, and I actually have a hold on the nominated Administrator. Based on a commitment from the administration that they made in February to Senator McCaskill and me that they would just agree, they would see that the organizations involved in coming up with the environmental impact study for a project in southeast Missouri would agree to the facts by March 15.

They set the deadline. We did not ask for the deadline. The call on March 15 was, "Well, we cannot get this done by the day we said we would get it done." And we have had no outreach from EPA in our office at all. I do not know how many Senators have holds on the nominee, but it must be so many that there is no interest in doing anything about the holds that are out there.

#### WETLANDS

Principally, there are a couple of concerns on this topic. One is the estimate of wetlands that your organization came up with originally was 118,000 acres.

The USDA said it was 500 acres. The Fish and Wildlife Service said it was somewhere in between. You said 118,000 acres. And I think the last estimate that you all have made is 5,000 acres, which is an interesting, the difference in 118,000 and 5,000—your own estimate—is intriguing to me.

And then you created a new category of wetlands that is not defined anywhere else in Federal law, which is, "wetlands in agricultural areas". I have two or three questions on this.

One, why do you think the wetlands determinations from your Agency have been so different on this one project?

Mr. PERCIASEPE. I have not looked at those particular numbers. But when you just mentioned agriculture, there are prior converted wetlands that are not covered under certain—they are not covered under the Clean Water Act. Somebody could have been adding those in, in the original one, and now they are looking at different ones. I—

Senator BLUNT. Do you know if the Agency has provided any recent information to the Corps on this topic or not?

Mr. PERCIASEPE. We have on—going back to the original part of your question—

Senator BLUNT. Yes.

Mr. PERCIASEPE. We have ongoing conversations with the Corps, and what I think I can commit to you, Senator, is that the next critical step in this, in addition to the information, is that the Corps of Engineers needs to be put together the EIS document—

Senator BLUNT. Right, right.

Mr. PERCIASEPE. And I think what we are all working on very hard is to get the Corps to get whatever information they need so they can get that document done. And then we will respond as quickly as—we will respond right away. Our Regional Administrator is prepared to do that and we want to move quickly once we get that document.

So people are working on this, and I can provide more information—



Senator BLUNT. Yes. I want you and my colleagues to both understand that this is not about trying to force a project to be built or anything else. It is just trying to get the Government to quit arguing with the Government.

This is trying to get the Government to agree on the facts, which does not seem—actually, it seems that the administration is simple enough project that they thought it could be done well over a month ago. And this is after a couple of years of, “Why is this not getting done?” “Well, we don’t agree on the facts.” We would just like the Government to agree on the facts of whatever you can do—

Mr. PERCIASEPE. I will.

Senator BLUNT [continuing]. Of course, if this was left up to me on this issue, you could be the Acting Administrator forever. Maybe you are very popular at the Agency and they just do not want to respond to these pretty simple questions.

Mr. PERCIASEPE. Well, our role in this is to review the work that the Corps of Engineers does. We are not the one doing the environmental impact statement (EIS).

But I—we will help them get it done. As soon as they get it done, we will do the comments on it. That is the normal way we reconcile things is get that EIS process going. So I think that is the key here.

#### WETLANDS—VETO AUTHORITY

Senator BLUNT. And you would have ultimate authority on the wetlands question based on this veto potential that you always have on an issue like this? Is that right?

Mr. PERCIASEPE. Yes, under the Clean Water Act, the EPA writes the guidelines, which we have done many years ago on how to make the wetlands determinations. And so, the Corps uses those guidelines to do it. And there are some agricultural converted wetlands that are not part of that process. They may be something that somebody will analyze in an environmental impact study, but they are not part of the Clean Water Act process.

Senator BLUNT. But you can veto these projects even while they are going on based on what I think I just heard you say to Senator Murkowski?

Mr. PERCIASEPE. I think that that is an untested—what she was—what the Senator was referring to was a court decision yesterday that was related to a veto after a project had already been permitted, not in advance of it.

Senator BLUNT. So you have no question you could veto it before.

What is the open question, whether you could veto it after or not?

Mr. PERCIASEPE. All the times that we have used the veto authority that is under—and really it is—the authority is actually to remove a section of water from being able to have fill materials discharged into it. But we use the common word of “veto”, which I do not think is actually in the act.

But all the times it has been used, to my memory, and I could double check this for the record, has been after the Corps project review process has begun.

Senator BLUNT. And before work has begun or do you know?

Mr. PERCIASEPE. If you want detail on all the times it has been used, I will have to get it for the record.

Senator BLUNT. I do. I want—

Mr. PERCIASEPE. I don't have that.

Senator BLUNT. I want detail on all the times it has been used and look forward to you providing that.

[The information follows:]

TIMING OF EPA ACTION UNDER SECTION 404(c) OF THE CLEAN WATER ACT

EPA uses its authority under section 404(c) of the Clean Water Act judiciously and sparingly. In the over 40 year history of the Clean Water Act section 404 program, EPA has used its authority under section 404(c) a total of 13 times. This is a particularly small number in light of the tens of thousands of projects that the U.S. Army Corps of Engineers authorizes in the Nation's wetlands, streams and other waters each year. EPA can exercise its authority under section 404(c) before a section 404 permit application has been submitted, while a permit application is under review, after a permit has been issued or in instances where a regulated discharge does not require a section 404 permit (e.g., Corps Civil Works projects). EPA has exercised its authority in the following contexts:

Project Name	Initiation and Final Determination Dates	Location		
		EPA Region	State	Corps District
Spruce No. 1 Surface Mine ..... Surface Coal Mine	Initiated October 16, 2009 ..... Final Determination issued January 13, 2011	3	WV	Huntington
Yazoo Pumps ..... Flood Control Project	Initiated February 1, 2008 ..... Final Determination issued August 31, 2008	4	MS	Vicksburg
Two Forks ..... Water Supply Impoundment	Initiated March 24, 1989 ..... Final Determination issued November 23, 1990	8	CO	Omaha
Big River ..... Water Supply Impoundment	Initiated August 24, 1988 ..... Final Determination issued March 1, 1990	1	RI	New England
Ware Creek ..... Water Supply Impoundment	Initiated August 4, 1988 ..... Final Determination issued July 10, 1989	3	VA	Norfolk
Lake Alma ..... Dam and Recreational Impoundment	Initiated June 8, 1988 ..... Final Determination issued December 16, 1988	4	GA	Savannah
Henry Rem Estates ..... Agricultural Conversion— Rockplowing	Initiated April 22, 1987 ..... Final Determination issued June 15, 1988	4	FL	Jacksonville
Russo Development Corps ..... Warehouse Development (After-the- fact permit)	Initiated May 26, 1987 ..... Final Determination issued March 21, 1988	2	NJ	New York
Attleboro Mall ..... Shopping Mall	Initiated July 23, 1985 ..... Final Determination issued May 13, 1986	1	MA	New England
Bayou Aux Carpes ..... Flood Control Project	Initiated December 17, 1984 ..... Final Determination issued October 16, 1985	6	LA	New Orleans
Jack Maybank Site ..... Duck Hunting/Aquaculture Impound- ment	Initiated April 15, 1984 ..... Final Determination issued April 5, 1985	4	SC	Charleston
Norden Co. .... Waste Storage/Recycling Plant	Initiated September 30, 1983 ..... Final Determination issued June 15, 1984	4	AL	Mobile

Project Name	Initiation and Final Determination Dates	Location		
		EPA Region	State	Corps District
North Miami ..... Landfill/Municipal Recreational Facility	Initiated June 25, 1980 ..... Final Determination issued January 19, 1981	4	FL	Jacksonville

For more information please visit: [http://water.epa.gov/lawsregs/guidance/cwa/dredgdis/404c\\_index.cfm](http://water.epa.gov/lawsregs/guidance/cwa/dredgdis/404c_index.cfm).

Senator BLUNT. I think we are going to have a second round of questions later, chairman? Thank you.

Senator REED. Thank you, Senator Blunt.

Senator Cochran.

Senator COCHRAN. Mr. Chairman, I am pleased to join you and the other members of the subcommittee in welcoming our distinguished witnesses to the hearing today.

#### GULF OF MEXICO

It occurs to me that one of the most riveting events that threaten the environment of the Gulf of Mexico has been the oil experience and the blowout down there of a well. And the effort to which we have gone to marshal our resources and to figure out exactly how we protect ourselves from adverse environmental consequences from that experience.

And I just wonder, what is your observation about whether or not what we have been doing is working? Are we restoring the good environmental health to the Gulf of Mexico and related areas like the Mississippi River, the lower parts of the river?

Mr. PERCIASEPE. I appreciate that question and how important that is. Obviously, I think we all remember that, those 3 months of our lives in not the most favorable ways, but I am very optimistic.

We put a taskforce together after the event. There was a separate review commission that had recommendations, but the President put together a taskforce which Lisa Jackson chaired that brought together the States around the gulf.

And the States and the different Federal agencies all agreed to a general approach in consensus, which I was extremely pleased to see, which gave me a lot of optimism that when funding became available, either through congressional appropriations, or coordinating the funding we all get with our existing programs, or any penalties or payments from any responsible party would get put to a good plan.

So I am confident that as those settlements occur and as we look at coordinating our existing funds, that we will be putting it to a plan that is pretty well coordinated because we have that work together. And obviously, your State was involved as well, and we think that that plan is actually pretty solid. It is the first time, to my knowledge, all the gulf States and the Federal Government came together on what needed to be done.

Senator COCHRAN. Well, the Congress certainly acted quickly in response to the request from the administration to provide earmarked funds, excuse the expression, oh, my goodness.

But that is part of our job to designate Federal funds to help deal with emergencies that threaten the environmental safety and security of our country, and particularly the economic investment that we have in the Gulf of Mexico, the fisheries. And the efforts we make to keep the Mississippi River from destroying all of the rich farmland that is important to our State's economy and many others as well. So we want to be sure we bring a balance to these competing challenges sometimes.

And I would just close by asking you if you are satisfied that the administration, and the Congress, are constructively working together to help ensure that these goals are reached?

Mr. PERCIASEPE. Senator, actually I am more confident than I would have imagined, to be honest with you, given the damage the nature of that event.

I think we see an industry response, which is starting to get some marks in their preparedness. We went through a painful part of getting preparedness to be ready in case it ever happens again. But on the other side of repairing the damage, and even going further to the extent we can to restoring—because as you know, some of the ecosystems there were not in the best shape even before the event.

So I think we have a once in a lifetime opportunity here, and the fact that the Congress and the administration have worked together as well as they have, I think, bodes very well for success, and the fact that the States are onboard with the basic plan.

So it won't be without challenges, but I think the foundation is there for success.

Senator COCHRAN. But your assessment is that it is safe to swim in the Gulf of Mexico again, isn't it?

Mr. PERCIASEPE. Well, I believe people are doing that every day.

Senator COCHRAN. Thank you.

Senator REED. Thank you, Senator Cochran.

Given our procedures, in order of arrival and going back and forth, Senator Begich.

#### BRISTOL BAY WATERSHED ASSESSMENT

Senator BEGICH. Thank you very much, Mr. Chairman.

I just want to reconfirm. I know my colleague asked this question when I was not here. I just want to hear it again for my own sake here on the Bristol Bay Watershed assessment issue.

You indicated that you do have enough money to finish the assessment, and that you will get it out and soon; "soon" defined as potentially in fill-in-the-blank. That is your cue.

Mr. PERCIASEPE. Fill in the blank. Well, what I said to—I said "soon" but that did not—

Senator BEGICH. That does not work.

Mr. PERCIASEPE. I want the record to show "soon" doesn't work.

But I wanted you to know, and I mentioned this to Senator Murkowski that we completely understand that we need to get it out in time for people to be able to look at it and participate in the public process. This is the revised analysis after we got the comments from the peer reviewers.

Senator BEGICH. Correct.

Mr. PERCIASEPE. Which is one of the reasons, as I mentioned, that we have been a little bit floating on how much we are spending on this because we needed to pull together the resources in the Agency to make sure we responded, and modified, and improved the assessment based on the comment we got. So we will also shortly be in a position to be able to layout some of those funding components of it.

But we are working to get this out so that a substantial part of the month of May is available for people to respond to it before the fishing season really kicks in.

Senator BEGICH. And then let me understand also the timing, then. Let's assume you hit that target. It comes out in May, then the public can review and comment on it.

Is there a time limitation or is it an open-ended? Help me understand that.

Mr. PERCIASEPE. Well, we certainly want it to be the time period that the public will have the most ability to do it. The peer reviewers will also be reviewing it at the same time. I cannot—I don't know right now what the time limit would be, but we have some flexibility there, and we will see how it goes once we have people commenting on it in May.

Senator BEGICH. And then, once they comment on it, what is next?

Mr. PERCIASEPE. Well, we wait to get the—in addition to public comment, we are going to wait to get the science review of it and that we put the same peer review panel we had the last time. We were able to get every member of that panel to agree to do it again so that we have good continuity on the scientific review.

We wait to see what comments we get from that peer review, and may, depending on that view, have to make some additional modifications, but I think I can't predict because I don't know what they are going to say. And I think anything we do here because while this is not a regulatory action this study.

Senator BEGICH. Right.

Mr. PERCIASEPE. This is something that will inform everybody. We want to make sure that it has the best scientific foundation in it. So that is going to be our number one priority as we go through this next peer review process.

Senator BEGICH. And let me just push you one more point on this. And that is, so you have the public commentary and other review commentary. You review that, then at some point, you will have a final assessment document.

Mr. PERCIASEPE. Yes, that would be available for whatever processes go on after that.

#### BRISTOL BAY WATERSHED ASSESSMENT COMPLETION

Senator BEGICH. Okay. Can you give me—and I know it is hard without knowing some of the comments that come in, how technical they might be, or how simplistic they might be, whatever the range is—can you give an understanding to me that, “By this range of dates, we think we will be completed with the assessment,” with some caveats. I am going to give you some hold harmless here—

Mr. PERCIASEPE. Okay.

Senator BEGICH [continuing]. And that is recognize there may be some peer review issues or other things that are more technical and that may require a little more work, because I hear what you are saying right now, but then it goes back into your guys' lap, and then what happens?

Mr. PERCIASEPE. Well—

Senator BEGICH. I mean, is it a fall completion? Is it a summer?

Mr. PERCIASEPE. You know, if I think the work is—if the work we have to do following this next round of comment is pretty straightforward and ready for us to do, I can see us getting it done by the fall.

Senator BEGICH. By the fall. "Fall" meaning Alaska fall or District of Columbia fall? Let's use the solar.

Mr. PERCIASEPE. Okay.

Senator BEGICH. The vernal—

Mr. PERCIASEPE. The autumnal equinox. Okay, which I think is the same in Alaska.

Senator BEGICH. Okay. I am just checking. I appreciate it. It is important as you get a sense from both.

Mr. PERCIASEPE. We know that—

Senator BEGICH. I apologize. I was not here earlier to hear more explanation.

Mr. PERCIASEPE. It should not be, to the two Senators from Alaska, it should not be—you should not think we don't know how important it is that—keep this from not lingering forever, but at the same time, it is equally important that we do the best job we can.

Senator BEGICH. Get the science right.

Mr. PERCIASEPE. So the science has to be right because we know that this is going to inform all the going forward work.

Senator BEGICH. Very good. Thank you very much.

Thank you, Mr. Chairman.

Senator REED. Thank you, Senator Begich.

Senator Johanns, please.

#### AERIAL FIGHTS OVER FEEDLOTS

Senator JOHANNNS. Thank you, Mr. Chairman.

Mr. Perciasepe, more than a year ago now, I was in my Senate office, and I had a group of family cattle feeders, ranchers that I was sitting down with. And in the midst of the conversation, one of them said to me, "Mike, what do you know about aerial flights by EPA over our feedlot?" There was an uncomfortable silence because I did not know anything about it.

I certainly could not recall that EPA had made me aware of that. I could not remember my then colleague, Ben Nelson, or any of my House colleagues, had made me aware of that.

So I wrote a letter to Lisa Jackson. The essence of that letter was, number one, I am interested in what you are doing in Nebraska. And number two, is this a national program and are you doing aerial surveillance in other parts of the country?

For whatever reason, she felt that my letter was not important enough to warrant a response from her. It was bounced to the Regional Administrator, whom I met with. He seems like a nice enough guy, but I do not think he speaks for the entire Agency.

So let me ask—oh, and one other point I wanted to add to this. In the, I believe it was the farm bill discussion some months ago, I put in an amendment that basically would have said, “Hey, you cannot use any funding we give you for these kinds of aerial surveillance missions.” And I got 56 votes on that; pretty bipartisan, and I am guessing we could have gotten over 60, but there was a lot of pressure when we got that many votes to quit voting yes on this thing.

So let me just ask you today a very simple question. Are you doing aerial flights over whatever, feedlots, pork production in Nebraska or, for that matter, in any other State in the United States currently, or do you have plans to do that in the future?

Mr. PERCIASEPE. We are not doing anything right now. We are in the process for the springtime here of looking at what kind of a notification system or other kinds of information we would make available before we actually did any of these flights.

The flights are quite simple. They are fixed wing aircraft like a Piper Cub, or a Cessna, or something like that and basically designed to help find priority areas to look at for people who would be on the ground in the field.

We don’t do any enforcement work, or compliance work, or anything based on this reconnaissance. It’s simply to help guide where we would send actual infield inspectors who would actually interact with the landowner.

Senator JOHANNIS. But it can lead to compliance, and enforcement, and fines, and penalties.

Mr. PERCIASEPE. Depending on what they see on the ground when they get there, but it won’t be from, only from what happens in the air. The air just simply helps figure out where the folks on the ground who talk directly to the landowners go.

But we are—we have done this in different parts of the country, not just in Nebraska and we are evaluating how we would—how do we go about our annual notification processes on this.

Senator JOHANNIS. Mr. Perciasepe, I have got two observations about this.

Observation number one is this: why is it so hard for EPA to just write me a letter, write my colleagues a letter, and say, “This is what we’re doing”? Why is that so difficult that my letter would be ignored for a year? I mean, we are literally coming up on the first anniversary.

The second observation I’ve got is this, as you know, I have been around the block a few times. I was the Governor of my State. I had a Nebraska Department of Environmental Quality. I was the Secretary of Agriculture. I worked with EPA on a regular basis. I think I am a pretty well known person out here. Why, I can’t imagine why you would do this?

I have always preached that we should work with people. You know, if you’ve got a bad actor, bring the hammer down; no-brainer. But why would you just go out and fly feedlots? I mean, that’s just, to me and I think to the average American out there, this sounds kind of wacky. It kind of sounds like this is a Federal Agency that is completely and totally out of control.

And when I can’t get answers to my questions, it feeds into that. People have this notion that the EPA is kind of a rogue group out

there, doing whatever they want to do because the United States Senator can't get a simple letter answered. Do you see what I'm saying?

Mr. PERCIASEPE. Well, when I get back to the office today, I will find out what is going on with the answer to your letter and make sure you get one.

But I do have to respectfully disagree with the rogue agency characterization. We are trying to actually do exactly what you just said: find bad actors in the most efficient way by trying to narrow where we would send people to go talk to the landowner. That's all we are doing with the aerial flights.

Senator JOHANNIS. But this is so indiscriminate. When you are out there just flying eastern Nebraska, this is so indiscriminate. You are flying at low altitudes. You are flying over law-abiding people who are trying to do everything they can to honor your rules and regulations. And you are not coming down on the bad actors. You are checking on everybody and it feels terrible.

It feels like there is a Federal agency out there spying on American citizens, and no matter how much I try to convince people otherwise or you do, it is still going to feel that way, especially when you are lacking so much in transparency when you don't respond to letters. When I find I have to show up at a hearing and get on a subcommittee so I can ask you question as to what is going on because my letters are ignored.

Mr. PERCIASEPE. I am concerned about the feelings that you are relating in terms of how people feel about it. That's, I think, an important thing for us to take into account in terms of how we develop a communications effort here. So I will make sure that we will get information to you and take these concerns back to whatever we are doing.

[The information follows:]

On behalf of Administrator Jackson, EPA's Region VII Administrator, Karl Brooks, sent a letter to the Honorable Mike Johannis, dated June 11, 2012, in response to Senator Johannis's letter dated May 29, 2012. Enclosed with the letter were more detailed responses to the questions in the Nebraska delegation's May 29 letter.

Mr. PERCIASEPE. But I want to assure you, the idea here is not to spy on law-abiding citizens. We want to make sure that like everyone else, they want to make sure that their law—law abiding is on a level playing field. And that is, this is a very efficient way for us to narrow where we go to on the ground to talk to landowners about what they are doing. If they are doing everything right, they are not going to—there's going to be no consequences from this at all.

So I understand the perception issue that you are bringing up. It is helpful for me to hear the intensity of it and I will bring that back.

Senator JOHANNIS. I am out of time, Mr. Chairman.

Senator REED. Thank you very much, Senator Johannis.

Let me just make one point is that letters from my colleagues should be responded to promptly, particularly members of the subcommittee who have a detailed interest and knowledge of the issues before the Agency. I would hope that that would be the norm and that you would take that message back too.



Mr. PERCIASEPE. Thank you very much.

STATE REVOLVING FUNDS

Senator REED. I spent my opening comments, I think rightfully, raising serious questions about the SRF, but let me point to one area where you are providing some, I think, necessary relief and that is in the State Categorical Grants program.

My home State, I think, is not a lot different than other States that our DEM, our department of environmental management, has shrunk from 500 to 390. That is 110 jobs in a tough economy. But more than that, it strains the capacity to do many of the things that you have delegated the Agency to do.

Can you comment on the fiscal situation throughout the States that, I believe, is one of the motivations for the increased funding of State categorical grants? And further, perhaps, indicate if sequestration takes place, what further impact that could have.

Mr. PERCIASEPE. Yes, it is one of the prime motivators of that, I point out in addition of the request to the Congress to increase those grants. And it is, I have to admit, it is a modest amount, but one of the things that I have been working on with the environmental commissioners in my double job here, my other job is the Deputy Administrator EPA, I have been spending a lot of time directly with State environmental commissioners through their organization, the Environmental Council of the States, which all the States are a member of.

And we have been working on how to improve—given the fact that all of us are constrained and we have the laws to implement together, how do we look at this as a holistic team, so to speak? You know, using that enterprise word again, I say the environmental protection enterprise of the United States is really the tribes, the States, and EPA together.

So how do we make that partnership work? And we are very keen on improving their, by a relatively small amount, their financial situation, but also on how we share the work.

So when I mentioned E-Enterprise earlier, a number of the States, due to the necessity that you've pointed out have turned to using a more electronic transactional process with the world. Similar like what any of us might do with an airline. You know, how do we get our tickets? How do we book a hotel room these days? Many of us, and I don't want to speak for everyone, but many of us will just go online and do it.

Our transaction with our banks are getting more online and the security systems that have been put in place, you know, we've never translated them over to, you know, in how you can do that in the public forum.

So some States have started to look into how to do this. Some of them have convinced their general assemblies to provide capital funds. You know, the Federal Government doesn't have a capital and operating budget. I'm used to that in my State and local experience. But the idea is you can capitalize some of these investments over time because they pay for themselves in efficiency.

So just a neighboring State of yours, Connecticut, I think, is one of the ones that has been doing that and we have been working closely with them to see how they're going about doing that.

So we are not looking just at increasing the funds, which is very important. But we are looking at how we work together and share work. Can we change that dynamic? Can we improve priority setting between the States and EPA so that we are not chasing everything all the time? And can we come to a point where the information flow is not redundant?

So if I am a holder of a permit, I don't have to send my stuff to the State and send my stuff to different parts of the State, different parts of EPA. They can go to one place where they do their transaction. So much of the world has achieved this and many States are thinking this is a way to deal with some of the constraints that they have.

And the Congress, last session, approved the E-Manifest System for tracking the transport of hazardous waste. I mean, we were still using pink, blue, and yellow carbon copy paper, or actually we still are, because we are required by law to be using paper copies. And so all the hazardous waste that is moving around the country has got paper following it around; millions and millions of pieces of paper at great expense.

And so if you have ever purchased anything from virtually any online system, you could actually, and if you use FedEx to—I am not advertising here. I want to show that—

Senator REED. UPS.

Mr. PERCIASEPE [continuing]. As an example of many. L.L. Bean does the same thing. So you can track where your package is down to which post office it's in.

In fact, with some company, I should stop naming them, but I recently ordered a vest from, I got an email that they had put the package in my backyard. So, these systems exist, but we don't have them for tracking hazardous waste.

So you passed that legislation last year and that's part of the kind of concept that we're talking about here. Get to the point where we're using these modern technologies.

I go on a little about that, because I feel pretty passionately about the relatively modest investment we're asking by moving funds around, because this will let us link up with the States to be more efficient. And then the modest increase in the State funding will also help.

I should point out that the \$60 million your staffs have identified and that we've identified to you, also include some startup design money for some States who don't have, may not have the ability to get started.

So I'm sorry for that long answer, but this is one of my highest priorities, figuring out how we improve our working relationships with States. The money is a piece of that, but not the only one.

Senator REED. Thank you very much.

Let me recognize Senator Murkowski.

PM<sub>2.5</sub>

Senator MURKOWSKI. I would like to pick up a subject that we have had a lot of discussion on here in this Appropriations subcommittee with our colleagues from the EPA, and that is the situation in the community of Fairbanks, Alaska with the particulate

matter, the tightened standards for small, particular matter the PM<sub>2.5</sub>.

I know that it is a subject that you are prepared on because we talk about it all the time. The problem for the people of Fairbanks is we have not been able to gain any flexibility from the EPA on this issue, and it becomes more and more serious.

This is the second largest community in the State of Alaska. It is probably the coldest city in America for its size. They are trying to meet these new standards. They are working to provide some incentives for the residents to change out their older furnaces and their older stoves and boilers for more efficient pieces of equipment.

We have asked the EPA to work with us in terms of timeline. We have asked whether there might be grants available for doing the change out.

Right now, what the Fairbanks North Star Borough is proposing is a research program where they are looking to define whether or not emission reductions can be achieved by doing a switch out and effectively moving to more efficient means of heating their homes. When it is 40–50 below zero in Fairbanks, not heating your home is not an option.

And unfortunately, their options are really very limited. It is either coal, it is wood, it is home heating fuel. We do not have natural gas into the community. We are trying to get there. And we have asked EPA for leeway on this.

So the question to you this morning is whether or not you have identified any areas where there might be some level of assistance that the Agency can provide with the—it is about a \$4.5 million cost to the study, or the funding that we have asked for to help the residents move from one technology to another? Whether there is anything that can be done to provide for this.

We are now trying a firewood exchange program where homeowners are swapping out wet wood for dry wood. You are talking about technologies here with the chairman that leads us to greater efficiencies.

We are going back into the Stone Age practically and telling the people of Fairbanks, “Well, the way that you’re going to deal with your emissions is you’re not going to burn wet wood. You’re going to burn dry wood.” Well, the fact of the matter is we are burning wood to keep warm.

So if there are no areas given the tight budget that we are dealing with, you can help us with in terms of assistance.

Is the Agency looking at an extension to give the community more time to meet the new standards before this penalty phase begins in 2016? The community is working aggressively on alternate plans, whether it is trucking natural gas from the North Slope. We are looking at alternatives to bring gas up from the South. But we all know that you cannot flip a switch and make it happen between now and then. Assessing penalties on top of a community that is already socked with high, high, high, exorbitantly high energy costs is really not the way to go.

So what can you offer the residents of Fairbanks in terms of some level of assurance that you are willing to work with us?

Mr. PERCIASEPE. Well, I think that’s the key right there is to keep working on this together. I don’t know that we have the right

solution yet, so I can and will offer to do the continued effort to try to see if we can get through this period.

I think, obviously, you've mentioned a couple of ideas in your comments there in the long haul about natural gas and other things like that. And I'm sure if Fairbanks wants to get to that point.

I am not inexperienced with this issue. I heated my own home in upstate New York with wood for 5 years with my father and that was my job was to cut the trees. And I know that they are wet most of the time in the winter.

So I am painfully familiar with this particular issue and want to offer that we'll continue working on it with you and with the State of Alaska to see if we can come to the right place.

Senator MURKOWSKI. Well, Mr. Perciasepe, I appreciate that. It doesn't necessarily comfort me because I have received the same assurances from Administrator Jackson. The people of Fairbanks, it is not a short winter up there. It is a long, cold, dark, winter and, again, when you don't have many alternatives, you are looking for some assistance.

I will ask then, the same thing I asked the Administrator. Sit down with us and let's go through some of these areas where we don't feel that the Agency is working with the residents. Whether it is the issue that I raised with Fairbanks in PM<sub>2.5</sub> or what I raised in my opening statement with the solid waste incinerator rule, and the impact that it has on a small husband-wife veterinary clinic in Soldotna.

It seems to me in that particular instance, and I will let you address that, but it seems to me that there should be a way to address this administratively rather than having to assess this veterinary clinic \$50,000 to do an annual test to make sure that they meet the compliance.

So I would like your assurance that you will work with us on issues that may not be that big in terms of your Agency's perspective, but for this community and for this small business, it is everything because it is this regulation that could shut this business down.

Mr. PERCIASEPE. I do know that we have discussions going on, on that particular rule that you are expressing the concerns that the vet has.

I believe some of the folks from Alaska are visiting our North Carolina office this week to talk through some of these issues, and later, in a couple more weeks in May, we're going to get a bunch of other people down.

So I will make sure that the people at EPA who are doing that work and that group of incinerator operators and some of the others that are involved from Alaska, know that you and I have talked about this. We would be able to talk about it a little bit more perhaps tomorrow.

But I want to make sure that you know that we have that little process going on. That we are going to be meeting with those folks, and we are going to be looking under every stone to see how we can build a path forward there, so.

Senator MURKOWSKI. Well, maybe we can look at our list tomorrow then.

Mr. PERCIASEPE. Yeah. I know that both of these answers are more process than absolute answers, but part of our work, I think, together is to get a process to make sure that we get to the answer.

Senator MURKOWSKI. Mr. Chairman.

Senator REED. Thank you. Senator Begich.

Senator BEGICH. Thank you very much, Mr. Chairman.

I just have a couple of quick questions. One is on the general issue of resource development within Alaska, maybe mining, oil and gas, and so forth.

#### SEQUESTER AND PERMITTING PROCESS

But regarding the sequester and also your budget into the future, can you give me a feeling on the impacts that you would see in regards to the permitting process as well as how long it takes with regards to these two types of impacts you have it on the budget? And especially around these issues, as you know, our seasons are very unique. They are not year round, in some cases of how the developments have to be set up and proposed.

Mr. PERCIASEPE. Well, I think the—as a general matter, the way the sequestration happened in this particular budget year is it was spread out, you know, around. There was very little ability and we can—I'm not trying to say one thing or another about that, to say, "Well, we'll do much less of that and only a little bit of this."

Senator BEGICH. Right. You have the flexibility—

Mr. PERCIASEPE. Oh, right.

Senator BEGICH [continuing]. By division within the Agency essentially.

Mr. PERCIASEPE. So what we—what we've done is tried to mitigate that as much as possible, but the inevitable effect of everything being a little bit less is that there will be some delays or some choices that have to be made a little bit more than they were without it.

So I would expect that there will be fewer inspections; that some permits will take longer. This is the kind of stuff that—and the reviews, and the processing of grants, and things of that nature are all going to take a little bit longer. If you want to cumulatively say they will all take 5 percent longer, you know, that's one way to think about it.

On the other side of the coin, when you don't have enough flexibility between the personnel budgets and the non-personnel budgets, you end up with a situation where some of the people are going to be not working full time. So we have a—well, they'll be full time employees, but they won't hit every day because we have to furlough some of them.

And at EPA, we've tried to minimize that. We've got it less than 5 percent because we were able to do some things where there was some flexibility. So we're now no more than 10 days of all our employees will be furloughed.

But I think that that is—we might be able to reduce that a little bit more. We're going to look in June one more time to see if we're able to make any savings. But I think the simple answer is there'll be some slowing across the board.

But on issues in Alaska, I personally participate with David Hayes, the Deputy Secretary of the Interior, who I know you guys

are all familiar with particularly in Alaska, who's chairing our interagency group, and we meet frequently. We have phone calls frequently to make sure we're keeping our eye on the ball with the critical and often difficult issues in Alaska—

Senator BEGICH. Right, the timetables, the seasons, and so forth, right?

Mr. PERCIASEPE. Yes.

Senator BEGICH. Well, I think that—I know Senator Blunt has a piece of legislation that I signed on to regards to flexibility with essential employees. So I don't know how that plays with EPA, but I know it's an important aspect that you have as much flexibility as possible. Because those permits, if they're delayed by a month or two, it could cause, as you know, a whole season missed in development. But I thank you for that comment.

But also I appreciate your end comment there that you're working with Under Secretary Hayes regarding the coordinating effort. That, to me, has been a huge plus for us in Alaska and it's had some ability to move some things that may be not as fast in the past because of different agencies having debate and so forth. So I appreciate that.

Mr. PERCIASEPE. I agree that that has enabled us to resolve issues more quickly and, you know, between all the different agencies, and it's been a very helpful process.

Senator BEGICH. Very good. Let me, if I can add one other thing, and I was listening to your comments on kind of the E-Government component of what you're trying to do. And it actually surprised me a little bit, while nothing surprises me around here anymore, but that a law requires you to keep the paper, and you had to get the law changed in order for you to come into the 21st century.

#### E-GOVERNMENT

I would ask you this, and I would be very interested in working with you on this. Sometimes I think legislative bodies have a bad habit of wanting to legislate down to what pencil and size of pencil you buy, and the grade, and everything. And I want to, I guess, not just you, but other agencies, give you the flexibility especially in order to get into the E-Government ability because without that, you are way behind in a lot of areas.

So I would be very interested in: are there things within the legislative arena that we have hamstrung you in the ability to move into this 21st century technology? You don't have to tell me now, but if you could prepare something that says, you know, "Here's some laws that prevent us from going to electronic because we have these three things that are in the law that requires to have things in triplicate, and we have to have them in paper, and we have to have certain files."

I would be very interested in that because part of the budget process, that's what we're here to do, is find ways to make you more efficient. But if we have created some legislation that requires you to—you know, like I always have this argument. This black suitcase or briefcase I carry around, my view is always if it's more than what fits in there, I've got too much to file and I honestly believe that. It is what I carry. That's my file. That's my in-

formation. Anything more than that is way too much. So when I'm not using technology properly.

So I would be very interested in any of that kind of issue that you could bring forward to us.

Mr. PERCIASEPE. We will follow up on that. I know it's not just the legislation. It's also some of the regulations that we've done in the past. Many of these laws were passed 20 years ago before people visualized the kind of world we're currently in.

Senator BEGICH. Right.

Mr. PERCIASEPE. I don't think it was anybody's fault, but they wanted to make sure that they could keep track of these things, and so did some of the regulations EPA and other agencies did back then.

So it requires a combination of looking to make sure there are no legislative barriers, and I think we've got one of the big ones, because I think we'll save over \$100 million a year for the regulated industry when we get that implemented.

Senator BEGICH. That's great.

Mr. PERCIASEPE. But I think it's going to be a joint effort, I think, between the Congress and the executive branch to look at how we've constructed the systems we have, you know, maybe even from a lean analysis look.

Senator BEGICH. Okay.

Mr. PERCIASEPE. To find those—where those sore spots would be. So I will look at that.

Senator BEGICH. We would be very happy. I did a lot of that when I was mayor of Anchorage where we really, you know, implemented a lot of E-Government and it changed the whole way we did business. And the customer's much happier because the timetable has changed in a positive way. So I'd be very anxious to work with you. Thank you.

Thank you, Mr. Chairman.

[The information follows:]

INFORMATION ON LAWS THAT PREVENT THE EPA FROM GOING ELECTRONIC  
(ELECTRONIC FILING) IN CERTAIN CASES

Many of EPA's statutes were enacted in the 1970s and 1980s when electronic communications were much less common and submissions of all types were typically done on paper. EPA has made great progress in moving our programs toward more efficient and less wasteful electronic systems. For example, the vast majority of Toxic Release Inventory reporting is now done electronically. The Agency is currently engaged in a number of rulemakings to increase electronic reporting, which will continue to move the Agency away from systems that rely on paper submissions.

Senator REED. Senator Blunt.

Senator BLUNT. Thanks, Mr. Chairman.

NEW SOURCE REVIEW

I want to get to New Source Review in a minute. I did not intend to talk about this, but Senator Johanns's questions were particularly—the answers were particularly troubling to me.

Where do you think you have the authority to fly over people's property and see if they are doing anything wrong?

Mr. PERCIASEPE. I'm not really prepared to do some kind of legal analysis here, Senator, but I would say that that there—the gen-

eral authority that EPA has to inspect, to implement the laws that the Congress has passed, and we're also trying to be efficient. We're trying to only, you know, use our scarce resources in places where there appears to be some problem. And I don't know why that concept is difficult. I think we can understand that concept.

I think the issue which I think the Senator made it more clear to me than I've heard before is that people who feel like they are—they are not a problem, why are they having a, you know, something fly over their house. And so I mean I think I will—

Senator BLUNT. I would think a guy from upstate New York would understand that if you thought about it for very long.

Mr. PERCIASEPE. Dairy, I lived in the dairy country.

Senator BLUNT. Exactly. My mom and dad were dairy farmers. I understand that whole concept of the Government and you.

But now, you can't just walk onto somebody's property, can you, because you think they might be doing something wrong or can you?

Mr. PERCIASEPE. I don't know the answer to that.

Senator BLUNT. And you said it's not like you were spying on people.

What term would you use?

Mr. PERCIASEPE. We were looking for where there may be animals and their waste in the water. So we're not looking at people at all.

Senator BLUNT. So you're spying on animals.

Mr. PERCIASEPE. Well, we're looking to see where we would send inspectors to see if there was a problem of water pollution. So I don't know that animals are what we're spying on. We're looking at the conditions that could be creating water quality violations.

Senator BLUNT. You know, I work for almost 6 million people. I am trying to figure out how many more than 5 million of them would be concerned by this. But I think at least 5 million of them would say, "I really don't like the sense of that." That the EPA can do things that, I don't know that law enforcement without any reason can just fly around. Maybe they can.

It is troublesome to me and I do not want to use all my time on this, but I think you should say, if I was going to sequester something at the EPA, I think I would sequester this surveillance flying around at the top of the list. I wouldn't want to be trying to justify that if I couldn't get a permit issued for somebody to do something that creates private sector jobs, for instance. That would be my sense.

I saw a report, just came out, from George Washington University that the regulatory rules from the Federal Government in 2012, by their own estimate, exceeded the cost of the entire first term of the two preceding Presidents. That the regulatory rules in 2012, by the administration's estimate, exceeded the cost of the first terms of President Bush and President Clinton.

And one of those rules, this New Source Review standard. It looks like—I don't know how you could possibly build a coal plant. Our State, I think we are number six in the country. We are 82 percent-or-so dependent on coal. I guess you can't build a plant without carbon capture storage.



Do you believe that that is commercially feasible today, carbon capture storage?

Mr. PERCIASEPE. Let me make sure I know which rule you're talking about.

NEW SOURCE PERFORMANCE STANDARDS

Senator BLUNT. I'm talking about the New Source Performance Standards.

Mr. PERCIASEPE. Standards for electric generating.

Senator BLUNT. Right. Exactly.

Mr. PERCIASEPE. Well, I was actually co-chair with the Department of Energy on the carbon capture and storage report that we did for the President.

Senator BLUNT. Oh, good. Well, you are a good guy to ask this question.

Mr. PERCIASEPE. The simple answer is that all the pieces of that technology exist. People use it now. People use it now for enhanced oil recovery projects and things of that nature. But having it altogether in a package has not been constructed except in demonstration projects.

We received a lot of comments on that proposal, I think 2.7 million comments on that proposal, and that's why we're taking our time to look at that, and we haven't finalized that rule yet. We have to continue to look at those comments and figure out some of the issues that you're bringing up.

But one of the things we did in that proposal is provide a long averaging period, like 30 years, so taking into account the potential of that type of evolution of technology.

However, we did get a lot of comment on that as well, Senator, and I think that's what, you know, that's among many things that we're looking at before we would finalize that.

Senator BLUNT. Well, it—one of the things I am sure you have been asked to study is just the overall question of this rule that, if the rule is promulgated it absolutely prohibits future activity in this area?

And if carbon capture is not commercially realistic, what you are really saying if you move forward with this rule that you have had lots of other people comment on already, is can't build a coal-fired plant in the country.

Mr. PERCIASEPE. I wouldn't make that complete conclusion because of the averaging concept that we put in there. What we have to determine is whether or not that is a feasible approach to dealing with the diversity of fuels that are out there.

So I recognize that some people view it the way you've recognized it and we certainly got tons of comment on that. So we have to look at the idea that if the technology's not available now when would it be available and how do you build that into the future? We have to continue to work on that.

Senator BLUNT. Thank you.

Thank you, Mr. Chairman.

Senator REED. Thank you, Senator Blunt.

Let me recognize Senator Murkowski for any comments she has in conclusion.

Senator MURKOWSKI. Thank you, Mr. Chairman.

And Mr. Perciasepe, thank you for being here this morning, trying to work through some of our questions.

I do have a host of other questions that I will be submitting for the record, everything from Keystone Pipeline, hydraulic fracturing, forest roads, sulfur content, greenhouse gas, powerplant rulemaking, commercial fishing sector. I think I could probably spend the rest of the afternoon with you, but unfortunately we do not have the time allowed.

But one thing that I would like to just leave with you, not necessarily in a question format for you this morning, but just something that I would like you and those in the Agency to consider.

#### COST BENEFIT ANALYSIS

We talk a lot around here about cost benefit analysis at times of declining budget. It is important. We are making sure that we get good value for the dollar. And the President has asked, he says we want to, again, make sure that we are doing things in the right areas.

And it was just, well, it was this month that the U.S. Chamber of Commerce came out with a study regarding the impacts of EPA regulations on employment within the United States. And in that study, they found that the EPA is using what they consider to be some overly optimistic forecasts that overstate the benefits of regulation and understates their cost.

And they go through their assessment in terms of how they reached this conclusion. They went on further to provide that the correct approach for assessment of the overall impacts of rules with large economy-wide costs is to calculate the impact of regulation compliance costs through a whole economy model.

And it is something that, I think, many of us are talking about is how do we accurately reflect the costs and the benefits?

There was an opinion piece recently in *The Hill*, which referred to this. This is a gentleman, Jeff Rosen, who is the former general counsel over at the Office of Management and Budget (OMB). And he cites a rule that was proposed by the EPA back in 2011 that relates to equipment that powerplants and manufacturing facilities use to draw in water to prevent overheating.

EPA gets concerned about the impact of these water intake systems on larva or fish. So they do an assessment, EPA does an assessment. They find that the rule would impose \$466 million in annual costs on powerplants and consumers, while the benefits would be about a \$16 million benefit. So in other words, you've got \$1 of cost for every 3 cents in fish benefits.

So then what EPA does is after they do this assessment, they chose to mail out a survey to several thousand households asking them to place a value on how fish and other aquatic organisms make them feel. Now, I don't know how you define how a fish makes me feel, but the survey asked how much people would be willing to save 600 million fish.

And then last summer, EPA published a notice based, in part, on this fish survey showing that the fish benefits are now \$2.2 billion per year. This is a 14,000-percent increase over the initial estimate.

So it kind of speaks to the point that I have made that when we talk about costs benefit and the analysis, I think it is important to

really understand in fairness how we have arrived at these analyses because it is important as we, as policymakers, make determinations, try to figure out how we advance legislation that is good, sound policy, good for the economy, good for jobs.

And so when we see things like this where it would appear that you are truly overstating benefits based on what most of us would suggest is a pretty flimsy survey, it casts doubt on whether or not there is any credibility to the analysis.

So rather than putting you on the spot and saying, "Is this fair? Should we restructure it?" I think it is something that I would ask the Agency to look at critically. Take, not necessarily that the U.S. Chamber of Commerce has all the answers, but again, for us in policymaking positions, you as the agencies working to move through regulations, we want to make sure that there is good value to taxpayers throughout all of this.

So how we do these analyses fairly, I think, is something we should all be focused on, and I would welcome your input and that of others within the Agency as we kind of move forward on this. But I do appreciate you being here.

And again, I appreciate the chairman, the thoughtful way that you not only conduct the hearings, but in getting us to the point where we have good, thoughtful, constructive hearings.

Senator REED. Thank you very much, Senator Murkowski.

I think she makes an excellent point. These cost benefit analyses are critical and there are some things you can measure easily, you know, the cost to put a boiler in. There are costs and benefits that are hard to measure because there are social costs or social benefits. So I think her point is well taken as your analysis has to be very nuanced, sophisticated, and factually based on both the cost side and the benefit side. So I will echo that thought.

#### ADDITIONAL COMMITTEE QUESTIONS

I thank you very much, Mr. Administrator. I am sure there are many questions that will be forthcoming. I will ask that all questions be submitted by May 1, next Wednesday, and then ask you to respond as promptly as possible to the questions.

[The following questions were not asked at the hearing, but were submitted to the agency for response subsequent to the hearing:]

#### QUESTIONS SUBMITTED BY SENATOR JACK REED

##### FERTILIZER PLANT EXPLOSION IN WEST, TEXAS

*Question.* What was EPA's role in assuring safe handling and storage of the chemicals at the facility in West, Texas that exploded on April 17, 2013?

*Answer.* EPA is responsible for implementing regulations and policies both under the Clean Air Act and under the Emergency Planning and Community Right to Know Act (EPCRA). The regulations under these laws required West Fertilizer to prepare a Risk Management Plan (RMP) under section 112(r) of the Clean Air Act (the Risk Management Program) and EPA regulations at 40 CFR part 68. West Fertilizer was also required to report their chemical inventory to local and State officials under EPCRA sections 311 and 312. West Fertilizer did submit an RMP in June 2011 as well as a chemical inventory form for calendar year 2012.

Under the Risk Management Program, a covered facility is required to conduct a review of the hazards associated with covered substances, processes and procedures, and then develop a prevention program and an emergency response program addressing those hazards. The "regulated substances" are chemicals which, by virtue of an accidental release to the ambient air, have the potential to cause serious adverse effects to human health and the environment. The Risk Management Pro-

gram is not an “all hazards” regulation. It is aimed specifically at risks arising from the accidental release of a covered substance to the ambient air. Accordingly, ammonium nitrate is not a covered substance under the Risk Management Program. West Fertilizer did submit an RMP to EPA for the anhydrous ammonia at its facility. This is the only chemical present at the facility for which an RMP was required.

The “Hazard Review” conducted under this process must identify opportunities for equipment malfunction or human error (such as flood or fire), that could in turn cause the accidental release of covered substances, as well as safeguards to prevent the potential release, and steps to detect and monitor for a release. These requirements are documented in the RMP that is submitted to the EPA. A covered facility must implement the RMP and update it every 5 years or when certain changes occur. The EPA is responsible for implementing and overseeing this program which includes the development and implementation of regulations and policy, providing technical assistance, carrying out inspections and conducting enforcement at covered facilities.

The EPA Region 6 conducted an RMP inspection at the West Chemical & Fertilizer Co. on March 16, 2006. The inspector observed the processes and the equipment at the facility, and reviewed the facility’s RMP and associated records. The inspector identified the several violations, including:

- failure to update the RMP (the update due in 2004 had not been submitted), including updating the Hazard Assessment and Hazard Review and consequences of deviation in operating procedures,
- failure to properly document new operator training,
- failure to develop a formal mechanical integrity program, and
- failure to conduct compliance audits.

In accordance with the EPA approved penalty policy in place in 2006, on June 5, 2006, the Region issued a proposed Expedited Settlement Agreement (ESA) which assessed a penalty of \$2,300 to West Chemical & Fertilizer Company. The company submitted its updated RMP on July 7, 2006 and paid the penalty. As a condition of the ESA, the company was required to correct all deficiencies identified during the inspection. The Agency issued the final ESA on August 14, 2006.

Sections 311 and 312 of EPCRA require facilities to submit to State and local emergency planning authorities (but not to EPA) information on hazardous chemicals on-site in order to help communities prepare for and respond to chemical accidents. Ammonium nitrate is reportable (in quantities above 10,000 lbs) under this regulation and it appears at this time that West Fertilizer had reported as required.

For each extremely hazardous chemical as listed under section 302 of EPCRA, or each hazardous chemical (including explosives) as defined by the Occupational Safety and Health Administration (OSHA) Hazard Communication Standard at a facility in excess of established threshold amounts, the facility must annually submit a Material Safety Data Sheet (MSDS) and a Hazardous Chemical Inventory Form (Tier II form) to their State Emergency Response Commission (SERC), their Local Emergency Planning Committee (LEPC) and their local fire department. The MSDS contains information on chemical identification, health and physical hazard, necessary personal protective equipment and emergency response procedures. The Tier II form contains facility identification, chemical identification, the form of chemical present, the amount of chemical on-site and days per year on-site, the location of the chemical at the facility and the type of storage used.

As noted above, West Chemical and Fertilizer submitted Tier II forms in 2012 for seven chemicals, including ammonium nitrate and anhydrous ammonia. This information is designed to be used by State and local authorities for preparing for and responding to potential accidents. Fire departments may use the information to help them in addressing issues or compliance with fire codes and safe storage of chemicals under applicable State or local laws.

*Question.* What regulatory authority does EPA have to limit the types or amounts of chemicals at a facility for safety concerns compared to its Federal and State partners? Please provide a detailed explanation that explains the agency’s roles and responsibilities compared to its partners.

*Answer.* Under the current Clean Air Act (CAA) section 112(r) Risk Management Plan regulations at 40 CFR part 68, the EPA does not have authority to limit the types or amounts of chemicals at a regulated facility for safety concerns.

The CAA section 112(r)(1) General Duty Clause (GDC) can require facilities to take steps to ensure compliance with the general duty. The GDC requires facilities to identify hazards which may result from releases using appropriate hazard assessment techniques, to design and maintain a safe facility taking such steps as are necessary to prevent releases, and to minimize the consequences of accidental releases which do occur. Such steps could include limiting the type or amount of chemical

to address unsafe conditions or hazard present at the source. The EPA's GDC is similar to that of OSHA in the Occupational Safety and Health Act.

CAA section 112(r)(9) authorizes the EPA to take actions to abate any "imminent and substantial endangerment to human health or welfare or the environment because of an actual or threatened accidental release of a regulated substance." In such cases where such a danger exists, EPA can require facilities to limit a chemical's presence in order to address the threat.

The EPA does not have sufficient familiarity with the regulatory authority of its partner agencies to provide the comparative analysis requested. We respectfully defer to our partners agencies to explain the nature of the regulatory authority that they implement.

*Question.* How does EPA coordinate with other Federal agencies such as the Department of Homeland Security to ensure chemical facility safety and security?

Answer. On a Federal level, the EPA has an effective working relationship with key Federal agencies involved in chemical safety, including OSHA, the Department of Homeland Security (DHS), the Chemical Safety Board (CSB), and the U.S. Department of Transportation (DOT). As part of our collaboration and coordination with these agencies, we meet regularly or as issues arise to discuss areas of interest in our programs and how to work together to better implement our respective programs and promote chemical safety. An example of such cooperation is the ongoing sharing of information between the EPA and DHS and OSHA. Since the EPA completed building the RMP database, it has been available to OSHA, and they have used it to (in part) prioritize their inspections. Since the advent of the Chemical Facility Anti-Terrorism Standard (CFATS), the EPA has made our RMP facility database available to DHS, and continues to do so.

In addition, on August, 1, 2013, the President issued Executive Order (EO) 13650 establishing a Chemical Facility Safety and Security Working Group and setting forth additional actions to be taken by the Federal Government in an effort to further improve the safety and security of chemical facilities and reduce the risks of hazardous chemicals to workers and communities. The Executive Order calls upon Federal agencies to initiate innovative approaches for working together on a broad range of activities, such as identification of high-risk facilities, inspections, enforcement, and incident investigation and follow up. Additionally, Federal agencies are specifically directed to modernize the collection and sharing of chemical facility information to maximize the effectiveness of risk reduction efforts and reduce duplicative efforts. EPA will co-chair the working group and has taken steps toward compliance with the EO. For example, EPA, OSHA, and DHS have deployed the regional pilot program that will validate best practices and test innovative new methods for Federal interagency collaboration on information collection and utilization, inspection planning, and stakeholder outreach.

*Question.* Risk management plans describe the ways in which a facility reduces the likelihood of accidental releases of extremely hazardous substances and their plans for dealing with any accidental releases which may occur. Please describe the enforcement responsibilities of the agency's Risk Management Plan.

Answer. The RMP is a summary of the facility's risk management program and is to be submitted to the EPA. In general, the RMP submitted by most facilities includes the following: executive summary; registration information; off-site consequence analysis; 5-year accident history; prevention program; and emergency response program.

Owners or operators of a facility with more than a threshold quantity of a regulated substance in a process, as determined under 40 CFR section 68.115, must submit an RMP no later than the latest of the following dates: 3 years after the date on which a substance is first listed under 40 CFR section 68.130; or the date on which a regulated substance is first present in a process above a threshold quantity. The RMP must be reviewed and updated at least once every 5 years from the date of a facility's latest submission.

RMP inspections ensure compliance with the Risk Management Program, and these inspections can lead directly to enforcement actions for regulatory violations as they involve on-site verification activities. Most EPA oversight and enforcement of CAA section 112(r) and 40 CFR part 68 involve inspections.

EPA takes enforcement actions against facilities that fail to submit an RMP and those that fail to comply with the other part 68 requirements. For example, if there is evidence of a facility's failure to perform an initial process hazard analysis on covered processes (40 CFR section 68.67) and failure to train an employee involved in operating a covered process (40 CFR section 68.71) then EPA could (and does) take an enforcement action to assess penalties and obtain compliance for both violations. If a facility has not submitted an RMP but has a chemical accident prevention program in place which satisfies the specific part 68 requirements, a single count for

failing to file an RMP may be appropriate. See Combined Enforcement Policy for Clean Air Act 112(r)(1), 112(r)(7), and 40 CFR part 68, dated June 2012. (<http://www.epa.gov/enforcement/air/documents/policies/gdc/112rcep062012.pdf>)

*Question.* How much funding has been provided for the Risk Management program in fiscal year 2013, and how much funding is requested in the fiscal year 2014 budget request?

*Answer.* The agency Risk Management program resource level in the fiscal year 2013 Enacted Operating Plan is \$12.2 million (including a \$655,000 reduction for sequester) and \$14.1 million in the fiscal year 2014 President's budget request. This includes a \$0.8 million increase to support additional high-risk chemical facility inspections. The request will enable EPA to conduct 460 RMP inspections in fiscal year 2014. Of these inspections, 34 percent will be conducted at high-risk facilities.

#### ENVIRONMENTAL EDUCATION

*Question.* What is the rationale behind eliminating a centralized environmental education program, and what benefit does the administration expect to achieve? Please explain how EPA plans to effectively manage environmental education grants if they are spread across EPA programs rather than centrally coordinated.

*Answer.* Eliminating the centralized Environmental Education (EE) program allows the Agency to better integrate environmental education activities into existing Agency programs under a streamlined and coordinated approach. The EPA remains committed to environmental education and outreach and will continue to ensure that all of the EPA's content and information is available to students, educators and communities.

In fiscal year 2014, the EPA will employ an intra-agency approach to environmental education grant making which will allow the Agency to leverage existing full-time equivalent (FTE) and grant management resources. This intra-agency coordination will maximize reduced resources and afford additional programming that has a greater impact on 21st century EE needs. By integrating EE into all of our program offices via funds and support from the Office of External Affairs, we are confident that the EPA's work in educating the American public will continue in a more effective way than previously structured.

For the past 3 fiscal years the EPA's EE grant program has been aligned with the agency priorities in air, water, solid waste, toxic substances and expanding the conversation on environmentalism. These are many of the same programs that have existing EPA authorities that enable the EPA to perform the new environmental grant and outreach approach. These authorities include: Clean Air Act; Clean Water Act; Solid Waste Disposal Act; Safe Drinking Water Act; Toxic Substances Control Act; Federal Insecticide, Fungicide, and Rodenticide Act.

#### SOUTHEAST NEW ENGLAND COASTAL WATERSHED RESTORATION PROGRAM

*Question.* What progress does EPA expect to make on the Southeast New England Coastal Watershed Restoration initiative in the current fiscal year?

*Answer.* In fiscal year 2013, the EPA expects to build on the progress made over the past year, bringing together a variety of stakeholders for the restoration of coastal southeast New England waters. The EPA has met extensively with Federal and State agencies as well as key stakeholders and the two local National Estuary Programs (Narragansett and Buzzards Bay) across Rhode Island and Massachusetts. Response has been positive, with a specific desire to devise a collective approach to advance key habitat and water quality restoration priorities, particularly in work that helps achieve both objectives. Key progress and activities to date are summarized below.

The EPA facilitated sessions of a broadly composed working group drawn from Partnership members to: Develop a vision statement, draft restoration framework, and explore organizational options for sustaining implementation over the long-term; analyze approaches to regional-scale restoration that merges both habitat and water quality objectives, with a specific focus initially on nutrients; and identify gaps in existing programs and highlight potential opportunities for on-the-ground restoration projects.

The EPA provided staff analytical support to: Inventory and assess existing restoration efforts; analyze and present models of other successful regional programs as possible frameworks/strategies for regional restoration; begin development of restoration metrics; and partner with the Massachusetts Clean Energy Foundation to support an RFP element seeking innovative solutions for cheaper and more effective denitrifying septic systems.

*Question.* How much funding does EPA expect the program to receive in fiscal year 2013, and how will these funds specifically be used to support the program?

Answer. The EPA proposes to formalize the establishment of the Southeast New England Coastal Watershed Restoration Program in fiscal year 2014 by including a \$2 million budget request. In fiscal year 2013, the EPA is preparing for this new program through the Surface Water Protection and National Estuary Program budgets, but has not dedicated additional funding for activities beyond those conducted under the NEP and for other watershed efforts. These activities include: hosting Southeast New England Coastal Watershed Restoration Partnership meetings; development of a restoration framework and criteria as well as organizational and communication materials in preparation for the initiative.

*Question.* What activities does EPA plan to carry out with the \$2 million included for this initiative in the fiscal year 2014 budget request?

Answer. The EPA plans to work with the newly formed Southeast New England Coastal Watershed Restoration Partnership to restore the ecological health of southeast New England's estuaries, watersheds, and coastal waters by funding large projects to restore physical processes, improve water quality, and restore key habitat. The initial focus will be on nutrients and habitat, as well as nonpoint source and stormwater pollution. This initiative will adopt a holistic, systems-based approach to restoration by incorporating a variety of integrated management approaches that address the region's broad set of stressors and disturbances. We will work closely with the Narragansett Bay and Buzzards Bay National Estuary Programs as well as active groups on Cape Cod.

#### BEACHES PROTECTION CATEGORICAL GRANTS

*Question.* What is the justification for eliminating the Beaches Protection Categorical grant program?

Answer. EPA's proposal to eliminate the Beach Grant Program is a product of the hard choices the agency had to make in light of the difficult fiscal situation we face. This is especially acute in light of the significant cuts imposed on the agency by sequestration. In fiscal year 2013, EPA reviewed its programs for areas where any potential efficiencies and streamlining can yield savings. The Agency is proposing to eliminate certain mature program activities that are well established, well understood, and where there is the possibility of maintaining some of the human health benefits through implementation at the State and local levels. EPA's beach program has provided important guidance and significant funding to successfully support State and local governments in establishing their own programs. However, States (including territories and tribes) and local governments now have the technical expertise to continue beach monitoring as a result of the technical guidance and more than \$110 million in financial support the EPA has provided over the last decade through the beach program.

*Question.* What assurance does the Committee have that these programs will be maintained by other funding sources if Federal grants are eliminated?

Answer. Beach monitoring continues to be important to protect human health. States will determine, based on resources and priorities, whether and to what extent to continue beach monitoring within the context of their broader water quality monitoring program. Under Clean Water Act section 106, grant-eligible States are expected to have a monitoring program consistent with EPA's guidance on elements of a monitoring program. Recreational uses are included in the guidance.

#### E-ENTERPRISE INITIATIVE

*Question.* The budget requests \$60 million for E-Enterprise. Is the proposed E-Enterprise initiative a one-time investment, or a multi-year investment?

Answer. E-Enterprise for the Environment is a major effort to transform and modernize how EPA and its partners conduct business. It is a joint initiative of States and EPA to improve environmental outcomes and dramatically enhance service to the regulated community and the public by maximizing the use of advanced monitoring and information technologies, optimizing operations, and increasing transparency. An initiative of this scale will require multiple years of planning, implementation, and investments that will allow us to reduce future costs for regulated entities and the States while giving the public access to comprehensive, timely data about the environment.

E-Enterprise includes a number of complex and simultaneous projects, including streamlining regulations, enhancing data systems, expanding public transparency, and improving collaboration among EPA and the States. For example, it will involve the creation of an electronic interactive "portal" for the regulated community to do things like apply for EPA and State permits, access information on their permit status, submit compliance information to States and EPA, and receive compliance assistance from environmental agencies. The portal will also result in greater sharing

of data on environmental conditions with the public, thereby empowering communities to help solve their own pollution problems. In addition, the initiative will explore the use of advanced monitoring technologies that could provide more accurate, timely and reliable environmental data about environmental conditions and specific pollutant discharges. Under E-Enterprise, environmental agencies will also make e-reporting the “new normal” in environmental regulations, thereby significantly reducing paper reporting and reaping major benefits in terms of cost savings for industry and for the EPA and States and the availability of timely, more accurate information. In order to achieve these benefits, significant investment will be needed in IT systems, process changes, monitoring equipment, and rule design for EPA and its State partners. If EPA receives its full request for E-Enterprise funding in fiscal year 2014, the Agency projects that funding needs would span approximately a 5-year timeframe.

*Question.* If it is a phased approach, how many years does EPA expect to request funding for this initiative and what will be the total cost of the initiative?

*Answer.* EPA will be phasing this initiative, and EPA expects to request funding over multiple years. The total cost of the initiative has not yet been determined as EPA needs to complete formal analysis of the projects and how they will be implemented over the next few years. EPA is also collaborating closely with its State partners through the Environmental Council of States (ECOS), and State input will be critical in completing a full plan for E-Enterprise phasing. EPA and ECOS expect to complete a full plan for E-Enterprise phasing in fiscal year 2014. If EPA receives its full request for E-Enterprise funding in fiscal year 2014, the Agency projects that funding needs would span approximately a 5-year timeframe.

*Question.* The budget request discusses the potential cost savings that the regulated community will realize through electronic reporting. If funded in fiscal year 2014, when will the initiative be fully operational?

*Answer.* The initiative consists of a series of interconnected projects. Some projects will be completed sooner, such as shared tools for validating electronic reporting. Other projects will take longer to be fully operational, such as NPDES electronic reporting and electronic manifests for hazardous waste. EPA has not yet projected a fixed date for when the entire initiative will be fully operational, but EPA projects that the initiative will span approximately a 5-year timeframe (depending on availability of funding) and some components should be operational in the fiscal year 2014 to fiscal year 2015 timeframe, and that initial cost savings could begin to be realized after these components are operational.

#### BROWNFIELDS PROJECTS

*Question.* EPA is proposing to reduce the brownfields projects funding by 10 percent, yet at the same time it increases the operating program for brownfields by 10 percent (\$2.4 million). What is the explanation for why EPA is cutting the brownfields projects program but at the same time increasing operating costs?

*Answer.* The Agency’s fiscal year 2014 request for brownfields program related costs provides critically needed funding to support the successful and timely selection and funding of annual brownfields grant competition awards; manage existing and future brownfields 104(k) and 128(a) grants; increase technical assistance and outreach activities for local communities, States, and other brownfield stakeholders; and improve the collection of program data to assess and identify the most efficient and effective use brownfields grant funds.

#### RADON GRANTS

*Question.* Last year, EPA, along with the American Association of Radon Scientists and Technologists and the Conference of Radon Control Program Directors conducted an assessment to determine the needs of State radon programs if State Indoor Radon Grants were eliminated. Twenty-three States reported that they will have to eliminate their radon programs. Based on these results, why did EPA decide to eliminate this important grant program?

*Answer.* The State Indoor Radon Grants (SIRG) program was established by Congress to fund the development of States’ capacity to raise awareness about radon risks and promote public health protection by reducing exposure to indoor radon gas. After 23 years in existence, the radon grant program has succeeded in establishing States’ capacity to raise awareness about radon risks and promote public health protection by reducing exposure to indoor radon gas. Also, given the current budget climate, eliminating the SIRG program is an example of the hard choices the Agency has had to make. The elimination of SIRG funding in fiscal year 2014 will mean that EPA will no longer subsidize State radon programs (and local programs with whom they collaborate) as they continue their efforts to reduce the public



health risks of radon. Instead, the States will need to target their remaining resources to continue radon-related activities, such as training real estate and construction professionals; adopting building codes; and conducting outreach and education programs. To better target resources at the Federal level, EPA will implement the Federal Radon Action Plan, a multi-year, multi-agency strategy for reducing the risk from radon exposure by leveraging existing Federal housing programs and more efficiently implementing radon-related activities to have a greater impact on public health.

#### SEQUESTRATION

*Question.* Thirteen percent of EPA's budget is grants that go to the States so that they can implement their pollution control programs, and sequestration impacts those programs too. What effect will a 5 percent cut to the categorical grants have on the State agencies?

*Answer.* It should be noted that approximately 43 percent of the EPA budget is appropriated as grants to States and tribes (STAG); categorical grants comprise approximately 13 percent of the EPA budget.

With that said, sequestration will reduce funding for activities that positively impact our communities, the health of our families, and the economic vitality of key industries by reducing categorical grant funding by \$54.6 million from fiscal year 2012. For example:

*STAG.*—The STAG appropriation funds States directly for environmental initiatives and programs. The reductions due to sequestration will impact States' ability to perform technical assistance to small systems in need, conduct sanitary surveys, achieve drinking water compliance targets and short-term annual numerical goals for reducing nitrogen, phosphorus, and sediment loads.

*PWSS.*—This grant funding enables States to target and support small systems that pursue effective compliance strategies, including identifying appropriate treatment technologies, alternative sources of water, consolidation options, and sources of funding. A cut of this magnitude will impact the States' ability to oversee and ensure that public water systems, especially small systems, provide safe, reliable drinking water to their customers. Small systems alone account for over 9,000 health based violations which have nearly doubled since 2002.

*Section 319 Grants.*—This funding helps States meet Clean Water Act requirements for nonpoint source pollution. This reduction would eliminate approximately 45 nonpoint source projects throughout the United States. The reduced funding for projects will impact States' ability to achieve goals for reducing nitrogen, phosphorus, and sediment loads.

*State and Local Air Quality.*—States depend on EPA funding for air monitoring sites that provide vital information to citizens with respiratory and cardiac diseases trying to avoid the harmful impacts of air pollution. In considering where to take the reductions, EPA has been looking at several different options to minimize the impact on States. Among these options, EPA is looking at potential flexibilities across its suite of monitoring programs. For example, with Phase I of the NO<sub>2</sub> near-road monitoring rollout now complete, EPA is exploring extending the implementation of Phase 2. Additionally, EPA is considering deferring spending on replacement of monitoring equipment, data analysis, and methods development.

*Categorical Grant Brownfields.*—States utilize EPA funding to establish core capabilities and enhance their brownfields response programs which include activities such as oversight of site cleanups. This reduction will result in existing grantees experiencing reductions in their fiscal year 2012 allocation in order to accommodate new applicants (on average, EPA receives seven new requests a year from eligible tribes and/or territories). The reduction will also result in State and local staff reductions that would decrease the number of properties that could be overseen by Voluntary Cleanup Programs by nearly 600 properties a year.

*Lead Program.*—Lead-Based Paint STAG funds support authorized States and tribes in their ability to implement training and certification programs for lead-based paint abatement and renovation, which are key efforts in the goal of reducing the prevalence of childhood lead poisoning. Impacts caused by sequestration could include a decrease in the ability to perform compliance assistance to the regulated community as well as certification of firms and accreditation of training providers. Reductions could also impact EPA's ability to implement the program in the 37 States where EPA operates the renovation program and in the 11 States where EPA operates the abatement program.

*Pesticides Program Implementation.*—This funding helps States and tribes ensure that pesticide regulatory decisions made at the national level are translated into results at the local level; since responsibility for ensuring proper pesticide use is in

large part delegated to States and tribes, this funding is critical. Reduced funding will result in a proportional reduction of activities by State and tribal program staff. For example, funding reductions will cause reduced worker protection training; reduced monitoring, evaluation, and response for pesticides in local water resources; fewer programs to help identify, respond to, and prevent pesticide poisoning; and reduced outreach on the safe handling and use of pesticides.

#### HYDRAULIC FRACTURING

*Question.* In 2010, Congress directed EPA to initiate a multi-year study on potential impacts of hydraulic fracturing on drinking water resources. Where is EPA in this process?

*Answer.* In 2011, EPA released the Final Plan to Study the Potential Impacts of Hydraulic Fracturing on Drinking Water Resources. The study plan reflects extensive input from the EPA's Science Advisory Board (SAB); industry; environmental and public health groups; States; tribes; and communities. EPA released a Progress Report in December 2012 that provides an update of the ongoing research.

In March 2013, the EPA's independent SAB announced the formation of its Hydraulic Fracturing Research Advisory panel. In May, EPA received input from individual panel members on EPA's ongoing research to inform the report of results. EPA expects to release the draft report of results of the Study of the Potential Impacts of Hydraulic Fracturing on Drinking Water Resources for external peer review in late calendar year 2014.

*Question.* Is the Agency on track to issue a final report next year?

*Answer.* The EPA expects to release the draft report of results of the Study of the Potential Impacts of Hydraulic Fracturing on Drinking Water Resources for external peer review in late calendar year 2014.

*Question.* Last year, EPA signed an MOU with the Department of Energy and the U.S. Geological Survey to coordinate and align current and future hydraulic fracturing research. What progress and coordination have been made since then?

*Answer.* The Tri-Agency Research Plan is still under development. The work to date to develop the plan has been very helpful in both coordinating the research efforts of the three agencies and developing the President's fiscal year 2014 budget request.

The EPA, the Department of Energy (DOE), and the U.S. Geological Survey (USGS) routinely exchange information regarding ongoing research, including plans and progress. Exchanges among the principal investigators, in addition to high level discussions, help to assure that scientific details about the work is shared and can be used to help inform work underway by others.

DOE's National Energy Technology Laboratory recently briefed the EPA on the progress of their work in hydraulic fracturing. Reciprocal meetings will be held soon. USGS briefed the EPA on their work in seismicity. DOE and USGS are among those participating in the EPA's technical workshops, in which they engage in information exchange regarding research both with the EPA and the other participants.

*Question.* EPA is also proposing to do more hydraulic fracturing research in the area of air and water quality. What additional information does EPA hope to learn from this research and what is the timeline to complete this research?

*Answer.* The EPA will study air emissions from Unconventional Oil and Gas (UOG) operations, including hydraulic fracturing, particularly the composition and rates of emissions from key sources (e.g., wastewater handling operations, and emissions during completion and production from wells that have been hydraulically fractured) and possible preliminary dispersion modeling and/or ambient measurements to verify source emissions data.

Building upon knowledge obtained from the Drinking Water Study, the EPA will work to better characterize the composition of wastewater and wastewater treatment residuals, including solids, as well as develop an approach to define and evaluate the potential area of impact around horizontal wells from UOG operations, including hydraulic fracturing, across the United States.

At this time, we do not expect that the air and water quality research will culminate in a report like the multi-year study on potential impacts of hydraulic fracturing on drinking water resources. There is not a specific deadline when the research will be completed.

## QUESTIONS SUBMITTED BY SENATOR TOM UDALL

## STATE REVOLVING FUNDS

*Question.* I heard Senator Reed comment on the disappointment in cuts to the Clean Water and Drinking Water State Revolving Funds. I'd like to echo that disappointment.

This program provides critical funding to States to invest in water infrastructure and protect clean water. In New Mexico we are looking at cuts of over 50 percent in terms from 2012 to 2014.

I won't reiterate many of the concerns that have already been raised, but I'd like to point out a related problem that is brewing for New Mexico . . . flooding and polluted stormwater.

We are experiencing record droughts in New Mexico, but when the rain comes, it can come in the form of heavy floods and monsoons. Stormwater is a major water quality problem, especially when the water flows over burned areas or overwhelms treatment plants.

I'm currently circulating a discussion draft of legislation to spur innovative stormwater solutions—sometimes called “green infrastructure” since it minimizes the use of expensive steel and concrete. This bill supports cost-effective approaches that many communities are already integrating into their water management plans such as porous pavement, flood detention areas, and other designs that can help recharge aquifers, rather than just send floods downstream.

Does EPA believe that States like New Mexico need more help with water treatment infrastructure to meet Federal standards—and are these innovations a way to reduce costs?

*Answer.* EPA understands that many State and local governments face challenges improving their water infrastructure to meet water quality objectives. The Agency supports green infrastructure as a cost-effective solution to reduce stormwater pollution and help control the impacts of localized flooding. Many communities have already demonstrated that by using green infrastructure to reduce the stormwater flows going into their sewer systems or further downstream, they can avoid more costly gray infrastructure investments and save money. Communities have also recognized that green infrastructure can provide multiple environmental and community benefits, making it an attractive investment option.

## MINE SCREENING

*Question.* I understand from the budget justifications that the EPA has a goal of completing 93,400 assessments by 2015 at potential hazardous waste sites to determine if they warrant more analysis and remediation. It is also my understanding that in recent years much of this screening was uranium mine assessments, including surveys of 521 mines in the Navajo Nation.

Additionally, EPA Region 6 continues to conduct screenings of mines throughout New Mexico. According to the EPA budget justification, the President's budget could fund 700 new screenings.

Do you expect a portion of these will be carried out in New Mexico and the Navajo Nation?

*Answer.* About 20 percent of the remedial assessments in fiscal year 2011 and fiscal year 2012 took place at abandoned uranium mines (AUM). Most of these AUM assessments were conducted as part of EPA Region 9's initial Five Year Plan to address uranium contamination on the Navajo Nation that ended in 2012. EPA's estimate of 700 total remedial assessments in fiscal year 2014 applies to all site types and includes 3 assessments at non-Navajo Nation sites in New Mexico (two of the three are AUM sites) and 2 assessments at Navajo Nation AUM sites. EPA is currently working with DOI and DOE and the Navajo Nation to develop a second 5-year plan to address impacts from abandoned uranium mines. This plan will set goals for additional, more detailed assessments of uranium mines on the Navajo Reservation.

*Question.* Does the EPA have a clear picture of the number of abandoned mine sites that continue to need screening throughout New Mexico and the Navajo Nation?

*Answer.* EPA estimates about 60 AUMs in New Mexico and two AUMs on the Navajo Nation still require further Superfund remedial assessment. EPA expects to determine if additional AUMs on the Navajo Nation require more detailed assessment as part of the 5-year plan currently under development.

*Question.* Given the President's fiscal year 2014 budget trajectory, would EPA be able to meet its goal of completing 93,400 assessments at potential hazardous waste sites by 2015?

Answer. EPA expects to meet its goal of completing 93,400 assessments at potential hazardous waste sites by 2015 based on completed assessments and planned future assessments.

*Question.* Could you estimate what percentage of the abandoned uranium mine sites throughout the country will be screened when the EPA completes 93,400 assessments?

Answer. EPA's Strategic Plan includes a goal of completing a total of 93,400 remedial assessments at potential hazardous waste sites by 2015 since the inception of Superfund. While a portion of these assessments were at abandoned uranium mine sites, EPA has not determined the total number of abandoned uranium mines that need to be screened by the Superfund program. EPA expects the inventory of AUMs being developed by the DOE in coordination with EPA and Federal land management agencies may provide useful information in this regard. The inventory is planned for completion in July 2014.

#### SUPERFUND BUDGET

*Question.* There are several Superfund sites in New Mexico and the Navajo Nation that I am very concerned about, including the North East Churchrock site and associated United Nuclear Corporation Superfund Site, and the Jackpile Mine located on the Pueblo of Laguna to name a few. It is my understanding that the President has proposed a \$33 million cut from fiscal year 2012 enacted levels for the overall Superfund budget, and it appears that this cut is specifically being taken out of the cleanup account which was enacted in fiscal year 2012 at \$796 million, but the President is now proposing \$762 million.

Could you explain for the committee this reduction in Superfund cleanup funds?

Answer. The Superfund program's top priority remains protecting the American public by reducing risk to human health and the environment. While continuing to rely on the Agency's Enforcement First approach to encourage potentially responsible parties to conduct and/or pay for cleanups, the Remedial program will continue to focus on completing ongoing projects and maximizing the use of site-specific special account resources. The Agency will also continue to place a priority on achieving its goals for the two key environmental indicators, Human Exposure Under Control (HEUC) and Groundwater Migration Under Control (GMUC).

Many Federal programs have undergone substantial reductions in the past few years to help address national budget deficits. The President has had to make difficult choices with regard to funding EPA programs, including the Superfund cleanup program. The fiscal year 2014 President's budget request for the Superfund Remedial program represents a \$26 million reduction from the fiscal year 2012 enacted level. Primarily because of a fiscal year 2013 sequestration reduction of \$22 million, the fiscal year 2014 President's budget request for the Superfund Remedial program would represent a \$32 million increase from the fiscal year 2013 enacted level. The scope of the reductions to the program is having effects on program performance throughout the cleanup pipeline leading to a reduction in EPA's ability to fund remedial investigation/feasibility studies (RI/FSSs), remedial designs (RDs), remedial actions (RAs) and ongoing long-term response actions. Based on current planning data the number of EPA-financed construction (remedial action) projects that will not be funded could be as high as 40–45 by the end of fiscal year 2014.

*Question.* Has the need for cleanup dollars decreased?

Answer. No. The need for the cleanup dollars has not decreased as the program continues to address a large ongoing project workload and has unfunded projects ready to start. As referenced in the answer to the question above, the President's budget reflects difficult choices with regard to funding EPA programs, including the Superfund cleanup program.

*Question.* How will these cuts impact efforts to complete Superfund cleanup throughout New Mexico?

Answer. New Mexico currently has 14 sites on the final NPL, 4 sites deleted from the NPL, and 1 site (Jackpile-Paguete Uranium Mine) proposed for listing on the NPL. EPA is currently responding to extensive comments on the proposed rule to add Jackpile-Paguete Uranium Mine to the NPL with a final listing decision anticipated in fiscal year 2014.

Of the 14 final NPL sites, 11 sites are designated as construction complete. The three sites that are not "construction complete" include MolyCorp, Inc., Eagle Picher Carefree Battery, and McGaffey and Main Groundwater Plume. The McGaffey and Main site has ongoing EPA-funded remedial action work occurring. A new EPA-funded remedial action construction project at the site that is anticipated to be ready for funding this fiscal year may not be able to start work given the limited resources available for new construction projects nationwide. There is anticipated to

be as many as 25 unfunded construction projects by the end of fiscal year 2013 and as many as 40 to 45 unfunded construction projects by the end of fiscal year 2014. Although Agency funding may not be available in fiscal year 2013 to start a new construction project at the site, all current human exposures are under control. EPA continues to seek out all available funds for construction projects ready to start work and a final decision on any funding available for new construction projects will be made later in the fiscal year. Cleanup at the MolyCorp, Inc. and Eagle Picher Carefree Battery sites are being conducted by potentially responsible parties with EPA enforcement oversight. Similarly, the work at the North East Church Rock site and the related United Nuclear Corporation NPL site is being conducted by a potentially responsible party with EPA oversight.

RESPONSIBLE PARTIES

*Question.* Perhaps the most cost effective way of addressing funding of cleanup of mine, mill, and other contaminated sites is by identifying responsible parties. In considering mine and mill sites in the Navajo Nation alone, it is my understanding that principal responsible parties have been found for 74 mine sites, but that no responsible party has been identified for approximately 450 other sites.

Could you share with the committee what the EPA is doing to identify responsible parties, and the potential impact identification of such parties would have on budgets and the EPA's ability to complete remediation of sites?

*Answer. Actions taken to identify responsible parties.*—Since all of the contaminated mining sites on the Navajo Reservation are abandoned, EPA conducted investigations to try to identify the parties that owned or operated those sites in the past. EPA is committed to an “enforcement first” approach that maximizes the participation of liable and viable parties in performing and paying for Superfund cleanups. As an initial step in our investigation, the EPA sent CERCLA 104(e) letters requesting information about potential liability to 10 companies that had been previously identified as having mined uranium on the Navajo Nation. The EPA used the information provided to identify Potentially Responsible Parties (PRPs) for mines posing the highest risks. Prior to initiating extensive research, the EPA and Navajo Nation EPA (NNEPA) worked together to identify mines that both agencies agreed posed the greatest risk to human health and the environment.

To date, EPA has notified potentially responsible parties of liability for 74 mines on the Navajo Reservation, including:

IDENTIFIED PRPS

Potentially Responsible Party	No. Mine Claims
Tronox Incorporated .....	49
KinderMorgan, Inc. (El Paso Natural Gas Company) .....	20
Western Nuclear, Inc./Freeport-McMoRan Copper and Gold, Inc .....	2
United Nuclear Corporation/General Electric .....	1
Chevron U.S.A. Inc .....	1
Rio Algom Mining LLC .....	1
Total Number of Mine Claims With Identified PRP .....	74

The other 449 mine sites are being evaluated for human health risk, and EPA is conducting searches for PRPs at mine sites as we determine that they require CERCLA response actions.

*Potential impact identification of such parties would have on budgets and the EPA's ability to complete remediation of sites.*—The EPA is continuing to pursue an enforcement-first policy, and will continue to conduct searches for PRPs at abandoned uranium mines on the Navajo Reservation. Identification of PRPs for abandoned mines on the Navajo Reservation is essential in order to provide additional resources for EPA to conduct further investigations and clean up at mines.

Impacts on EPA's budget and ability to complete remediation of sites cannot be reasonably estimated at this time as much of this work is dependent upon ongoing studies and assessments. However, in general, uranium mining site cleanup costs have historically been very expensive, in the range of tens of millions of dollars or more per mine. To date, PRPs have spent over \$17 million to carry out site-specific CERCLA response actions at abandoned mines on the Navajo Reservation. In addition, EPA has collected more than \$11 million pursuant to settlements with PRPs. The use of these resources is taken into consideration during the annual budget for-

mulation process. Both Superfund special account resources and appropriated resources are critical to the Superfund program, and the Agency will continue to submit resource requirements on an annual basis through the budget formulation process for congressional consideration. Congressionally appropriated resources will then be allocated by the Agency to projects and activities based upon future project plans and program funding prioritization guidelines, including available resources from settlements with PRPs.

EPA maintains a strong partnership with the Navajo Nation and, since 1994, the Superfund program has provided technical assistance and funding to assess potentially contaminated sites and develop a response. EPA is currently working with the Department of Energy, other Federal agencies, and the Navajo Nation to develop a second 5-year plan to address impacts from abandoned uranium mines. This plan will continue to build on our efforts of conducting associated responsible party enforcement and set goals for additional CERCLA response actions. EPA is committed to continue working with the Navajo Nation to reduce the health and environmental risks and to finding long-term solutions to address the remaining issues related to contamination due to abandoned mines on the Navajo Reservation.

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QUESTIONS SUBMITTED BY SENATOR LISA MURKOWSKI

KEYSTONE PIPELINE

*Question.* On Monday, the last day for public comment, EPA concluded that the State Department's latest review of the Keystone pipeline project contains "insufficient information" on several fronts, including greenhouse gas emissions, alternative routes and the consequences of a potential spill of diluted bitumen. In 2010 and 2011, the EPA criticized the State Department's first two environmental reviews of the project on similar grounds. Now you've found a problem with the most recent Supplemental EIS.

Can you explain what additional information needs to be collected at this point? The State Department received very similar criticisms from you before and you say they still didn't get it right.

Answer. The Environmental Protection Agency's (EPA's) comment letter outlines a number of areas where we believe additional information will improve the analysis, including: pipeline safety, alternatives, and community impacts. The EPA also recommended strengthening the economic market analysis given that its findings are key to the Supplemental EIS's conclusions regarding the project's potential greenhouse gas emissions impacts.

*Question.* Is this simply just a pretext for more delay?

Answer. No, we do not believe that collecting the additional information will be time consuming, and the additional information will be important to inform Federal decision makers and the public about the potential environmental impacts of the project.

*Question.* Can you explain what the process is going forward with respect to review of public comments and the timeline for a final decision on the pipeline?

Answer. The Department of State (DOS) is currently reviewing public comments received on the Supplemental Draft Environmental Impact Statement (EIS) and is working to address those comments in the Final EIS. As a cooperating agency, the EPA is working with the DOS to address comments in the Final EIS; DOS is responsible for the Final EIS's preparation schedule. Once the Final EIS is issued, the DOS will begin its 90-day National Interest Determination process, which will weigh factors such as economics and energy security in addition to environmental impacts, and make a decision on whether to issue a permit for Keystone XL's boundary crossing.

*Question.* Does the EPA have any plans to invoke its authority under the National Environmental Policy Act to object to the project and elevate an interagency dispute to the White House Council on Environmental Quality?

Answer. The EPA is a cooperating agency in the development of the EIS, and we are committed to working with the DOS to prepare a document that informs decision makers and the public.

HYDRAULIC FRACTURING

*Question.* Your budget requests \$8 million to continue work on the hydraulic fracturing study that was requested by Congress in fiscal year 2010. However, there are a number of issues being raised with the methodology that the EPA is using to conduct the nationwide study. For example, my understanding is that the agency is starting its analysis with "retrospective" sites. These are locations where fracking

has already occurred for years, potentially along with many other activities. “Prospective” sites, where fracking will be studied from its beginning won’t occur until later and therefore those results won’t be out until 2014 when the study is completed.

Why did EPA decide to test retrospective sites to start the study? As we have seen with the Pavillion site in Wyoming, going back in time where hydraulic fracturing has occurred for years makes it very difficult to have a baseline and also complicates the assessment of the effects of the fracking process. Why did the agency not start with prospective sites, and test the technology in “real time”?

Answer. In developing its draft study plan, the EPA received input from a wide variety of stakeholders. Stakeholders from many points of view urged the EPA to include both prospective and retrospective case studies as part of the overall effort, and the Science Advisory Board also supported both types of case studies. Given this input, the EPA decided to conduct both types of case studies.

The EPA began developing both the prospective and retrospective case studies at the same time. Retrospective case study locations were nominated by stakeholders. The EPA evaluated the nominated locations, identified five suitable locations for retrospective case studies, and started on them in a timely manner. The EPA continues to work with oil and gas well owner/operator companies to develop prospective case studies and intends to begin them expeditiously when suitable locations are identified.

Late last month, the EPA announced the formation of the Hydraulic Fracturing Research Advisory panel made up of 31 individuals from academia, industry, and the environmental community. Some have criticized the composition of the panel as not having a sufficient number of experts with industry experience in hydraulic fracturing. Apparently, a number of Panel nominees were disqualified from serving because the EPA determined that they had a “disqualifying financial interest.” The American Petroleum Institute sent you a letter concerning this issue on March 22.

*Question.* How would you respond to the criticism that the Research Advisory panel lacks “real world” industry experience?

Answer. The Panel does not lack “real world” industry experience. The SAB panel is comprised of current employees of companies and consulting firms; government employees; and academics/university professors (including some previously employed in industry). It has at least three experts in each of the following nine areas of expertise that were sought for the panel: Petroleum/Natural Gas Engineering; Petroleum/Natural Gas Well Drilling; Hydrology/Hydrogeology; Geology/Geophysics; Groundwater Chemistry/Geochemistry; Toxicology/Biology; Statistics; Civil Engineering; and Waste Water and Drinking Water Treatment.

“Real world” industry experience includes working for private industry or in consulting. Eight panel members are current industry employees, or are currently working in consulting. These eight members have a collective total of 218 years working in industry or consulting (average of 27 years’ experience each). Ten other panel members have significant industry experience (i.e., at least 2 or more years working as industry employees or as full-time consultants). These 10 members have a collective total of 61 years working in industry or consulting (i.e., an average of 6 years’ experience each).

*Question.* Out of the 31 members of the Panel, how many come from industry?

Answer. Eight members of the Panel are current industry employees, or are currently working in consulting. Ten other members have significant industry experience (i.e., at least 2 or more years working as industry employees or as full-time consultants).

*Question.* Did the EPA apply the rules concerning financial interests too narrowly when it came to industry experts? For example, I’m told that there are members of academia on the panel who have received grants from the EPA and other Government agencies or their universities do. Is that true? If so, how was that factored in their selection? Does that pose a potential conflict of interest?

Answer. Members of Science Advisory Board (SAB) panels serve as Special Government Employees (SGE) or non-EPA regular Government employees and are subject to ethics rules and conflict of interest regulations that apply to executive branch employees. Rules defining financial conflicts of interest and appearance of a loss of impartiality are applied to all prospective panelists, regardless of their work affiliation or experience.

With regard to financial conflicts of interest, 18 U.S.C. section 208 prohibits the participation of panel members in particular matters in which the member (or his/her spouse or minor child) has a financial interest, if the matter will have a direct and predictable effect on that interest. For example, panel members and their immediate family are restricted from owning more than a certain de minimus dollar amount in a sector mutual fund or securities issued by one or more entities directly

and predictably affected by the particular matter under consideration by the Panel. One remedy for an otherwise disqualifying financial interest is for the potential panelist to divest from the portion of holdings above the de minimus threshold. Several panelists did adjust their holdings in order to serve on the SAB Hydraulic Fracturing Research Advisory Panel.

Ethics regulations issued by the Office of Government Ethics also provide for an exemption for SGEs serving on Federal advisory committee panels where the disqualifying financial conflict arises from their non-Federal employment or prospective employment when the particular matter under consideration is a matter of general applicability (see 5 CFR 2640.203(g)). No candidate for the panel was excluded solely on the basis of his or her employment.

Twenty-one members of the panel are current academic employees. All but one of these members either receive current research funding or have received recent research funding from the EPA or other Federal Government agencies. All of the institutions for which these members work receive current recent research funding from the EPA or other Federal Government agencies.

In evaluating research funding, the SAB Staff Office follows the approach identified in the 2004 OMB Bulletin on peer review: "Research grants that were awarded to the scientist based on investigator-initiated, competitive, peer-reviewed proposals do not generally raise issues of independence. However, significant consulting and contractual relationships with the agency may raise issues of independence or conflict, depending upon the situation." The SAB Staff Office reviews the totality of the information for each prospective panelist, including the nature of grant support from the EPA and other entities, as it relates to the specific advisory activity being considered. The SAB Staff Office examines the funding sources indicated in the Confidential Financial Disclosure Form (EPA Form 3110-48) for the nexus between these sources and the work to be performed by the SAB as well as the nature of the source (e.g., grant or contract).

In that context, the SAB Staff Office does not consider the current or past receipt of EPA or other Federal grants generally to be, by definition, a conflict of interest under 18 U.S.C. 208. Rather, the SAB Staff Office considers information about EPA (or other Federal) grants and other information as they relate to the context of the specific advisory activity. Furthermore, EPA generally does not consider research grants (whether current or past), if they are unrelated to the work being performed by the SGE on an SAB panel and are investigator-initiated, competitive and peer-reviewed, to give rise to questions concerning the independence of a current or potential SGE.

For future reviews by this Panel, if additional expertise is needed, the SAB Staff Office will augment the Panel to ensure that all necessary scientific expertise is present. In addition, the SAB Staff Office recognizes the need to keep the Panel as informed as possible with new and emerging information related to hydraulic fracturing. There will be periodic opportunities for the public to provide new and emerging information to the Panel. The SAB Staff Office will provide notice in the Federal Register and on our SAB website on the logistics venue for doing that.

#### FOREST ROADS/SILVICULTURAL EXEMPTION FROM CWA

*Question.* Section 429 of the fiscal year 2012 Interior bill codified for 1 year the 37-year-old EPA policy that forest roads associated with logging activities are not "point sources" requiring permits under the Clean Water Act. Under the terms of the fiscal year 2013 continuing resolution, Congress barred EPA from beginning any new programs, and we understand that EPA has interpreted this language as barring the agency from initiating a permit program for forest roads.

On March 20, 2013 in *NEDC v. Decker*, the Supreme Court reversed the Ninth Circuit court ruling that would have required mandatory permits. However, the Supreme Court did not address the Ninth Circuit Court's other ruling that forest roads are point sources subject to a permit or other Federal regulation by EPA under its discretionary authority within point source rules.

I understand that EPA has sought public input and has said it is considering regulating a subset of forest roads as point sources through its flexible authority, though not via point source permits in response to a 2003 Ninth Circuit ruling regarding forest roads. I am concerned that this regulation will expose Federal, State, municipal, private and Alaska Native forestland owners to citizen lawsuits. Is the agency undertaking such a review pursuant to this litigation? If so, when will this review be complete?

*Answer.* No. The Agency has made no decision at this time to develop a new rule requiring permits for stormwater discharges from forest roads.



## SULFUR CONTENT RULE FOR GASOLINE

*Question.* On March 29, EPA announced draft rules for automobiles designed to lower emissions by requiring the use of lower sulfur gasoline. According to the EPA, these new rules will cost refiners only 1 cent per gallon while the refiners claim that this change will increase the cost of gasoline by 9 cents per gallon with very little environmental benefit.

Can you explain how the agency determined its cost estimates for implementation of the rule?

*Answer.* As in our past ultra-low sulfur diesel and gasoline benzene rules, the Agency performed a detailed refinery-by-refinery cost analysis of each refinery in the country. We established the baseline conditions for each refinery based on publicly available information as well as confidential information from our own databases and those of the Energy Information Administration. We then estimated what actions would be the least cost for each refinery to comply with the proposed Tier 3 standards, using the latest cost information provided by various technology vendors and engineering firms whose equipment is already being used by refineries to comply with the Tier 2 gasoline sulfur standards. Our cost analysis was independently peer reviewed by knowledgeable experts in the field, and the feedback from the peer review, along with EPA's response, can be found in the rulemaking docket on [www.regulations.gov](http://www.regulations.gov).

*Question.* Why do they vary so widely from industry projections?

*Answer.* There are four main reasons for the apparent differences between EPA's projections and the industry reported projections. First is that EPA's cost estimate is an average cost while the industry reports out only the costs for the highest cost refineries. Expressed on an apples to apples basis, EPA's average cost estimate of about 1 cent per gallon should be compared to the average cost that can be calculated from the industry study of 2.1 cents per gallon. Alternatively, if focusing on the highest cost refineries, EPA's modeling projects the marginal compliance cost for the highest cost refineries to be between 4.5–6.5 cents per gallon while the industry has reported the marginal cost for the highest cost refineries of 6–9 cents per gallon. Second, the industry did not analyze the program we have proposed, which provides considerable flexibility. The proposed averaging, banking, and trading program would allow those few high cost refiners to comply through averaging with or purchasing credits from other refineries, which would lower not only the average cost, but especially the marginal costs. Third, the industry study's capital cost assumptions for Tier 3 are high. The industry study used reported Tier 2 compliance costs for five selected refineries and then doubled them, rather than estimating the capital costs needed to comply with the much smaller increment of sulfur control required for Tier 3. Simply correcting their capital costs to reflect Tier 3 rather than Tier 2 reduces their average cost to 1.6 cents per gallon. Fourth, the assumed rate of return on investment is higher in the industry analysis than the rate of return in the EPA analysis. Simple adjustments to the industry study to reflect plausible capital costs and accepted rates of return on investment bring their average costs in line with those of EPA and actually support EPA's cost estimate of about a penny per gallon. The reasonableness of EPA's cost estimate is further bolstered by the feedback received from our independent peer reviewers, a 2011 study conducted by Mathpro for the International Council for Clean Transportation and a 2012 study conducted by Navigant for the Emission Control Technology Association. Furthermore, Valero, one of the Nation's largest refiners, recently announced its expected Tier 3 compliance costs, and they indicated that their compliance costs would be lower than those reported by industry.

*Question.* Do you believe that there is a more transparent way that the agency could calculate its cost/benefit data that would lead to greater consensus on what the right projections are?

*Answer.* The Agency has been very transparent in how we performed our cost estimate and is updating the cost/benefit analysis for the final rule. The Draft Regulatory Impact Analysis fully details the analysis performed and the assumptions made. The only thing we are unable to share publicly is our specific cost projections for each refinery, as doing so may directly or indirectly divulge confidential business information for specific refineries. We have followed this same approach in several past rulemakings, which has allowed stakeholders to fully assess the reasonableness of our cost estimates and comment on them, while still preserving confidentiality. The industry's recent study of Tier 3 costs followed a very similar approach.

## GHG POWERPLANT RULEMAKINGS

*Question.* Mr. Perciasepe, when the fiscal year 2014 budget was released, you were quoted as saying that you expected to complete the new source performance

standard for future powerplants this year and that you expected that the rules for existing powerplants “would be on the table for fiscal year 2014.”

Can you tell us what actions or work you have performed thus far on the rule for existing powerplants, if any?

Answer. EPA is not currently developing any existing source GHG regulations for powerplants. The office’s current work is focused on reviewing the comments submitted in response to the proposed carbon pollution standard for new powerplants under section 111(b).

*Question.* What is your best estimate with respect to the schedule and process that you will use for writing the rule for existing powerplants? For example, how long do you expect it to take to complete and when will the first draft be made public?

Answer. EPA is not currently developing any existing source GHG regulations for powerplants. In the event that EPA does undertake action to address GHG emissions from existing powerplants, the agency would ensure, as it always seeks to do, ample opportunity for States, the public, and stakeholders to offer meaningful input on potential approaches.

#### COMMERCIAL FISHING SECTOR NPDES PROBLEM

*Question.* Beginning in 2010, EPA issued regulations requiring NPDES permits for commercial fishing vessels engaged in catcher processing activities in Federal waters off the coast of Alaska. The Effluent Limitation Guideline (ELG) standard applied by EPA is based on criteria for shore-based facilities, and compliance with this standard has been virtually impossible for vessels at sea to meet. At issue is the requirement that all seafood waste be ground to “0.5 inch or smaller in any dimension.” While offshore vessels are able to achieve the 0.5-inch standard, they cannot achieve it for any dimension. That is, either the length or width or height exceeds 0.5 inches. This is a particular problem with respect to fish skin strands, where it is impossible to achieve this standard 100 percent of the time.

The shore-based ELG standards were developed with the understanding that the shore plant effluents would be deposited in harbors where the lack of flushing might cause negative impacts to the near shore marine environment. Those standards were applied to the offshore sector without any rationale or testing to determine whether discharges from a mobile vessel at sea would cause negative impacts to the environment.

Will EPA agree to work with the offshore catcher processor sector to produce a more workable standard, and if necessary, suspend the current 0.5 inch or smaller in any dimension grind standard?

Answer. Yes, the EPA is prepared to work with the offshore catcher processor industry on this important issue. The agency has advised industry representatives of our willingness to work with them during meetings on this concern. As we have discussed, if offshore catcher processors would like to pursue a change in the Effluent Limitation Guideline (ELG), we urge them to engage in the Effluent Guidelines Planning process. EPA may not change an ELG requirement through a letter or a permit. Any change to the Permit or any subsequent permits requires a change to the national ELG.

EPA expects to publish for public notice and comment the next iteration of its proposed ELG Plan in the Federal Register shortly, and EPA encourages offshore catcher processors to submit comments to that plan.

More information on the Effluent Guidelines Planning Process can be found at: <http://water.epa.gov/lawsregs/lawguidance/cwa/304m/>.

#### REGIONAL HAZE RULE

*Question.* In February the Environmental Protection Agency (EPA) proposed a regional haze rule for the Navajo Generating Station (NGS) in northern Arizona. That proposal would require the plant owners, which includes the Bureau of Reclamation, to install Selective Catalytic Reduction (SCR) technology. There is some debate as to whether baghouses would also be required. Regardless, the minimum estimated cost is \$540 million—with a potential price tag of \$1.1 billion. How does EPA’s budget account for the increased Federal capital costs that would be imposed by SCR (and possibly baghouses)?

Answer. EPA is not an owner of NGS; therefore, EPA’s budget would not be a source of funding for new controls at NGS. As stated in our February proposal, EPA understands that past pollution control investments at this facility have made use of alternative financing methods and that a report from the National Renewable Energy Laboratory (NREL) indicated that mechanisms may exist to help avoid or mitigate the estimated level of impact on water rates resulting from the Federal portion

of the cost of new pollution controls. The proposal sets limits consistent with levels achieved by SCR, but it does not in fact require SCR. EPA, DOI, and DOE have committed to work together on several short- and long-term goals, including innovative clean energy options for electricity generation and seeking funding to cover expenses for the Federal portion of pollution controls at NGS.

*Question.* In February a landslide destroyed portions of highway 89 in Arizona causing three car accidents and closing the highway indefinitely—this is the primary roadway used to travel between Flagstaff and Page. Geotechnical experts and engineers are reviewing the damage to determine the cause of the landslide and whether it is safe to reconstruct the roadway. The current detour adds approximately 50 miles to the trip from Flagstaff to Page, diverting traffic through highly populated areas on the Navajo and Hopi reservations in and around Tuba City and Moenkopi. EPA's regional haze proposal would require daily truck deliveries of hazardous anhydrous ammonia from Flagstaff to NGS near Page. EPA initially "determined that the increase in daily tanker truck traffic to transport anhydrous ammonia to and from NGS for SCR will not result in a significant health risk." Has EPA performed an analysis of the geologic event along highway 89 in northern Arizona and the health risks posed by approximately 728 tanker truck deliveries of hazardous anhydrous ammonia traveling through highly populated portions of the Navajo and Hopi reservations?

*Answer.* EPA's analysis of air quality impacts associated with increased truck traffic was conducted prior to the landslide affecting portions of Highway 89 in Arizona and therefore did not examine potential impacts associated with a different route to Page. EPA notes, however, that deliveries of anhydrous ammonia would not occur until after SCR is installed and operational. The earliest that would be is 2018 and EPA's proposal includes several alternatives with longer deadlines. Our proposal included a BART alternative that required installation and operation of SCR in 2021–2023. Although EPA anticipates that Highway 89 will be reopened by the time SCR is installed and operational, EPA will continue to monitor the status of the plans for this highway during our extended comment period, which closes on August 5, 2013.

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#### QUESTIONS SUBMITTED BY SENATOR THAD COCHRAN

##### STATE REVOLVING FUNDS

*Question.* The administration's fiscal year 2014 budget includes a reduction of \$328 million for the Clean Water and Drinking Water State Revolving Funds (SRFs). Communities in my State are coming under increasing pressure to upgrade their wastewater treatment facilities in order to comply with more stringent water regulations. This seems to me to be an unfunded Federal mandate. Do you have any advice for communities and municipalities that do not have the revenue base to finance the multi-million dollar upgrades needed to comply with these increasingly stringent water regulations?

*Answer.* EPA has been working with States and municipalities to meet their CWA obligations in a flexible and environmentally responsible approach called integrated planning. The Integrated Planning approach allows municipalities to balance CWA requirements in a manner that addresses the most pressing health and environmental protection issues first. Our work with States and municipalities also can lead to more sustainable and comprehensive solutions, such as green infrastructure, that improves water quality as well as supports other quality of life attributes that enhance the vitality of communities.

The budget requests a combined \$1.9 billion for the SRFs, a level that will still allow the SRFs to finance approximately \$6 billion in wastewater and drinking water infrastructure projects annually. The administration has strongly supported the SRFs, having received and/or requested a total of approximately \$20 billion in funds for the SRFs since 2009. Since their inception, the SRFs have been provided over \$55 billion.

##### RURAL WATER SYSTEMS

*Question.* Your agency has been providing communities with much needed training and technical assistance to comply with complex EPA regulations. It appears to me that the administration's budget does not explicitly include any funding to assist small rural water system operators to comply with EPA rules and regulations.

Do these communities have the ability or resources to navigate toward compliance without your help? Other than set-asides from the revolving funds what assistance

does your budget provide to communities to comply with your agency's complex regulations?

Answer. Small and rural communities receive training and technical assistance directly from EPA and State agency staff, as well as from nonprofit organizations funded by EPA, State environmental and health departments, and the United States Department of Agriculture/Rural Utilities Service. EPA's Public Water System Supervision (PWSS) grant and Drinking Water State Revolving Fund (DWSRF) enable States to develop technical assistance plans for their water systems, especially rural water systems and small systems serving fewer than 10,000 people.

PWSS grants help States, territories, and tribes develop and implement a PWSS program to ensure that all water systems comply with the National Primary Drinking Water Regulations. States use the grant funding to develop and maintain State drinking water regulations; develop and maintain an inventory of public water systems throughout the State; track compliance information on public water systems; conduct sanitary surveys of public water systems; review public water system plans and specifications; provide technical assistance to managers and operators of public water systems; carry out a program to ensure that the public water systems regularly inform their consumers about the quality of the water that they are providing; certify laboratories that can perform the analysis of drinking water that will be used to determine compliance with the regulations; and carry out an enforcement program to ensure that the public water systems comply with all of the State's requirements.

Besides set-asides provided by the DWSRF program, the DWSRF itself makes funds available to drinking water systems, including small and rural systems, to finance infrastructure improvements. The program also emphasizes providing funds to small and disadvantaged communities and to programs that encourage pollution prevention as a tool for ensuring safe drinking water. In fact, under the DWSRF program, States are required to provide a minimum of 15 percent of the funds available for loan assistance to small systems to help address infrastructure needs.

In addition, EPA provides direct technical support and training to States so they can assist small systems in building the capacity they need to comply with current and future drinking water rules, and has made strengthening the technical, managerial, and financial capacity of small systems an Agency priority goal. For example, EPA implements the Area-Wide Optimization Program (AWOP) which is often directed towards small systems. This program provides compliance assistance and teaches problem solving skills to improve operations at drinking water systems rather than focusing on costly capital improvements. The agency is developing a new online training system to provide basic training on all of the National Primary Drinking Water Regulations. EPA also provides training to States, tribes, and water systems through periodic webinars on various compliance issues. For example, there are webinars in fiscal year 2013 on the monitoring requirements for the Stage 2 Disinfection/Disinfection Byproducts Rule and microbial inactivation. EPA's website contains resources for systems challenged with compliance with arsenic and radionuclides, and work is underway to develop a compliance assistance tool for small water systems facing nitrate noncompliance.

To assist small systems to improve their managerial and financial capacity, the Agency has also developed CUPSS (Check-up for Small Systems), a free, easy-to-use, asset management tool for small drinking water and wastewater utilities. Small systems can use CUPSS to develop a record of assets, a schedule of required tasks, an understanding of finances; a tailored asset management plan. The agency also developed the Energy Use Assessment Tool for small drinking water and wastewater utilities to help them understand their current energy use and better enable them to identify opportunities for reducing energy costs.

EPA's Safe Drinking Water Hotline also is available to help the public, drinking water suppliers, and State and local officials understand the regulations and programs developed in accordance with the Safe Drinking Water Act. This includes information about drinking water requirements, source water protection programs, underground injection control programs, guidance, and public education materials. The Hotline also provides contact information for resources such as State-certified labs and EPA regional offices.

#### DESOTO COUNTY ATTAINMENT

*Question.* Was DeSoto County, Mississippi, in non-attainment status in 2004?

Answer. No, DeSoto County was not in non-attainment status in 2004.

*Question.* Did DeSoto County enter non-attainment based on 2008 standards?

Answer. For the 2008 Ozone NAAQS, EPA included the northern portion of DeSoto County, Mississippi, in the Memphis Nonattainment Area. Shelby County,

Tennessee, and Crittendon County, Arkansas, make up the rest of the area. This is the first time DeSoto County has been designated as nonattainment for ozone. EPA determined that DeSoto County should be part of this nonattainment area based on an analysis of the technical factors, including information submitted by Mississippi, and concluded that emissions from the county contribute to the monitored violations in the area.

*Question.* Did ozone concentrations in DeSoto County increase or decrease from 2004 through present?

*Answer.* The ozone air quality monitor located in central DeSoto County indicates that ozone concentrations have decreased since 2004. The EPA evaluates air quality status in terms of a 3-year average. For DeSoto County, the 3-year average ozone levels decreased 11.2 percent from 0.084 ppm (2002–2004) to 0.074 ppm (2010–2012). (Note that in 2008, the standard was revised from .085 ppm to .075 ppm).

*Question.* What portion of the Memphis area non-attainment status is attributable to DeSoto County sources?

*Answer.* It makes sense to include DeSoto County in the nonattainment area because analysis shows mobile source and area source emissions are significant contributors to ozone formation in the Memphis area. Population has grown steadily and the county has the second highest Vehicle Miles Traveled in the area. From 2000–2010, population in DeSoto County increased 48 percent. Much of this growth has been in the northern portion of the county that is adjacent to Tennessee.

The county has the second highest Vehicle Miles Traveled in the Memphis area. More than 30 percent of the county's ozone-forming emissions of NO<sub>x</sub> and VOC are from mobile sources and over 40 percent are from area sources. In addition, EPA's analysis of meteorology and the conceptual model for high ozone events in the Memphis area supports a conclusion that DeSoto County is contributing to high ozone levels in the Memphis area. In 2008, sources in DeSoto County emitted approximately 5,100 tpy NO<sub>x</sub> (9 percent of CSA total) and 5,200 tpy VOC (12 percent of CSA total).

*Question.* Does non-attainment status limit certain types of activities in DeSoto County?

*Answer.* The Memphis nonattainment area is classified as a Marginal Nonattainment Area for ozone which specifies an attainment deadline of 2015. Marginal areas do not need to submit an attainment demonstration or a Reasonable Further Progress Plan. DeSoto County does need to participate in the Memphis metropolitan area's transportation conformity planning to ensure emissions associated with certain transportation-related projects are consistent with achieving clean air standards. Also, new or modified major stationary sources in the area are subject to the Clean Air Act's nonattainment area new source review preconstruction permitting requirements. Inclusion in this area also makes DeSoto County eligible for Congestion Mitigation and Air Quality (CMAQ) funds.

*Question.* Is DeSoto County's non-attainment status consistent with Executive Order 13563, aimed at improving regulations and regulatory review, in which President Obama stated that "Our regulatory system must protect health, welfare, safety, and our environment while promoting economic growth, innovation, competitiveness, and job creation."?

*Answer.* As indicated in the Federal Register notice announcing the final designations for the 2008 ozone standards, area designations actions are a mandatory duty under the Clean Air Act. The EPA shares the responsibility with the States and tribes for reducing ozone air pollution to protect public health. Working closely with the States and tribes, the EPA is implementing the 2008 ozone standards using a common sense approach that improves air quality, maximizes flexibilities, and minimizes burden on State and local governments. Current and upcoming Federal standards and safeguards, including pollution reduction rules for powerplants, industry, vehicles and fuels, will assure steady progress to reduce smog-forming pollution and will protect public health in communities across the country. EPA will assist States as much as possible with any additional measures so that they can return to attainment status as soon as possible.

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QUESTIONS SUBMITTED BY SENATOR JOHN HOEVEN

REGIONAL HAZE PROGRAM

*Question.* EPA's Regional Haze program is designed to protect visibility in national parks and wilderness areas. I am concerned that, in its implementation of the program, EPA is using outdated regulatory tools to assess projected visibility improvements and compliance costs when making Regional Haze decisions.

The Air Pollution Cost Manual currently used by EPA in estimating costs for regional haze and other best available retrofit technology (BART) determinations was published in 2002. Costs for designing, engineering and installing controls obviously have increased significantly since then. Given that the current cost manual was published over a decade ago, is it out of date? What steps are being taken by EPA to update it? Doesn't the use of an outdated cost manual increase the likelihood that EPA is underestimating regional haze compliance costs?

Answer. One important aspect of the Control Cost Manual (CCM) is that it sets forth one well recognized control cost methodology that provides consistency for all air agencies in preparing and reviewing cost estimates for BART and other programs, thereby providing a foundation for the comparison of cost estimates prepared by different sources in different locales. This methodology is still well recognized and valuable today and includes equations and data to generate cost estimates for engineering and installing control technology. Through a notice-and-comment rule-making, the EPA has required that BART analyses for certain powerplants (based on size) follow this methodology.<sup>1</sup> It should be noted that a major reason for EPA disapproval of cost estimates included in Regional Haze SIPs has been the failure to follow the methodology for cost estimation provided in the CCM for some of these powerplants by either including items that are not part of this methodology or not including all cost items. While EPA has no reason to believe that the methodology for cost estimation is out of date, the Agency will review the methodology provided in the CCM in light of the concerns outlined and update the methodology if necessary.

The CCM also contains cost estimates for particular types of emission control systems, based on then-current information from actual installations of particular controls at particular sources. These historically based estimates may become outdated. However, the CCM itself specifically allows and encourages users of the Manual to develop and use alternative cost estimates based on more recent or more directly relevant installation experiences, provided such alternative estimates are well justified and documented. In fact, EPA has never disapproved a State BART determination based only on the State having used cost estimates based on such more recent or more directly relevant experiences.

*Question.* EPA uses an air dispersion model, called CALPUFF Version 5.8, to assess projected improvements in visibility from proposed NO<sub>x</sub> retrofit technologies. How does EPA respond to scholarly, peer-reviewed studies asserting that CALPUFF Version 5.8 overestimates visibility improvements? What does EPA need to do to update CALPUFF Version 5.8? Is this underway? Why is EPA not allowing the use of more recent versions of CALPUFF, such as Version 6.4?

Answer. EPA, States, and industry work collaboratively to ensure that dispersion models are continually improved and updated to ensure the most accurate predictions of visibility impacts. While the studies have been described as having been through peer review, they are largely papers included as part of general proceedings at conferences, as opposed to a formal peer review associated with submission to scientific journals. Therefore, we do not consider these references suitable for establishing the validity of a model or demonstrating that a model has undergone independent scientific peer review in accordance with Appendix W.<sup>2</sup>

CALPUFF Version 5.8 is the most recent version of the model that meets the criteria in Appendix W. The newer version(s) of the CALPUFF dispersion model have not received the level of review required for use in a regulatory context. Based on EPA's review of the available evidence, the models have not been shown to be sufficiently documented, technically valid, and reliable for use in a BART decision-making process.

In the BART guidelines, EPA acknowledged that the regulatory version of the CALPUFF model (Version 5.8) could lead to modeled over predictions. The over predictions could overestimate the visibility impairment that a source causes on the day when weather conditions make the source have its maximum impact on a Class I area.<sup>3</sup> Therefore, in the final version of the BART guidelines, EPA recommended that the CALPUFF model be used to estimate the 98th percentile visibility impairment rather than the highest daily impact value as proposed. If updated versions

<sup>1</sup> 40 CFR 51.308(e)(1)(ii)(B) and section IV.D.4.a.5 of appendix Y of 40 CFR part 51 require that cost estimates used in BART analyses for powerplants having a generating capacity greater than 750 megawatts must be based on the OAQPS Control Cost Manual, where possible.

<sup>2</sup> Section 3.2.2(e)(i) of EPA's Guideline on Air Quality Models (published as Appendix W of 40 CFR part 51).

<sup>3</sup> "Most important, the simplified chemistry in the model tends to magnify the actual visibility effects of that source. Because of these features and the uncertainties associated with the model, we believe it is appropriate to use the 98th percentile—a more robust approach that does not give undue weight to the extreme tail of the distribution." 70 FR 39104, 39121.

of CALPUFF can be shown to meet the criteria of Appendix W, it would likely be appropriate for the EPA to recommend that States switch to use the highest daily impact given that the updated chemistry of the CALPUFF model would result in more accurate results on such days than does Version 5.8.<sup>4</sup>

In coordination with the Federal Land Managers, EPA has already updated the current regulatory version of CALPUFF (Version 5.8) to address known “bugs” and expects to release the updated version later this summer. At the AWMA Specialty Conference in March 2013 and Annual Regional/State/Local Modelers workshop in April 2013, EPA provided information on the process and plans for updating Appendix W to address chemistry for individual source impacts on ozone, secondary PM<sub>2.5</sub> and regional haze/visibility impairment. EPA and Federal Land Managers have formed an interagency workgroup to review all available models to determine their suitability for these analyses, including updated versions of the CALPUFF modeling system. EPA also interacts with industry and other stakeholders. The information provided to EPA by WEST Associates and the model developer indicates that the new science updates include changes to incorporate atmospheric chemistry. These changes would require a notice and comment rulemaking in order for CALPUFF to be approved for analysis of atmospheric chemistry under Appendix W. Therefore, EPA will be considering this updated version of CALPUFF along with other models and techniques in its current review and planned regulatory update to Appendix W.

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QUESTIONS SUBMITTED BY SENATOR MIKE JOHANNIS

CITIZEN-SUIT TRANSPARENCY

*Question.* With respect to public transparency where a citizen’s suit has been brought against the Agency alleging a failure to undertake a nondiscretionary duty and where a third party has been granted status as an intervenor:

Does the Agency believe there is any legal bar to notifying the public (including intervenors) in a timely manner of the EPA’s intent to enter into settlement negotiations with the plaintiff?

*Answer.* EPA fully appreciates the importance of public involvement in its rulemaking and other decisions. Most of EPA’s defensive environmental cases are under the Clean Air Act, which provides the public notice and the opportunity to comment on any consent order or settlement before it is final or filed with the court. EPA does not commit in settlement to any final, substantive outcome of a prospective rulemaking or other decisionmaking process. The rulemaking process offers ample opportunity for the public, including regulated entities, to provide meaningful comment on any proposed regulation.

*Question.* Does the Agency believe there is any legal bar to including intervenors in any settlement negotiations?

*Answer.* The conduct of litigation involving the United States, including settlement negotiation, is the primary responsibility of the Department of Justice. EPA notes that there are existing opportunities under the Federal civil rules of procedure for interested parties to intervene in litigation, and settlements requiring court approval of consent decrees provide opportunities for interested parties to present their views. The involvement of third parties in settlement negotiations may constrain the ability of the Federal Government to reach an appropriate settlement, however, and the Department of Justice needs to retain the discretion to determine when involvement of third parties serves the interests of the United States.

FOIA DISCLOSURE

*Question.* In early February, your agency released personal information on 80,000 livestock operations across the United States. In Nebraska, personal information on over 3,500 operations was released.

Did EPA conduct an independent evaluation of the data States submitted to EPA and redact any such personal information the Privacy Act, Freedom of Information Act, or EPA’s own policies required it to before the Agency made its first release of the data?

*Answer.* In recognition of the concerns raised by the animal agricultural industry, the EPA engaged in a review of its FOIA response to determine whether the infor-

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<sup>4</sup>In past agreements in using the CAMx photochemical model, which has a robust chemistry module, EPA has recommended the use of the 1st High value when sources were being screened out of a full BART analysis based on the CAMx results. See Comment Letter from EPA Region 6 to TCEQ dated February 13, 2007 regarding TCEQ Final Report “Screening Analysis of Potential BART-Eligible Sources in Texas,” December 2006.

mation released is publicly available, and whether any revisions to the agency's determination to release the information is warranted under the privacy exemption (Exemption 6) of the FOIA.

As a result of this review, we have determined that, of the 29 States<sup>5</sup> for which the EPA released information, all of the information from 19 of the States is either available to the public on the EPA's or States' websites, is subject to mandatory disclosure under State or Federal law, or does not contain data that implicated a privacy interest. The data from these 19 States is therefore not subject to withholding under the privacy protections of FOIA Exemption 6. The EPA has determined that some personal information received from the 10 remaining States<sup>6</sup> is subject to Exemption 6.

The EPA has thoroughly evaluated every data element from each of these 10 States and concluded that personal information—i.e., personal names, phone numbers, email addresses, individual mailing addresses (as opposed to business addresses) and some notes related to personal matters—implicates a privacy interest that outweighs any public interest in disclosure.

We amended our FOIA response to redact portions of the data provided by these 10 States. The redacted portions include telephone numbers, email addresses, and notations that relate to personal matters. They also include the names and addresses of individuals (as opposed to business facility names and locations, though facility names that include individuals' names have also been redacted). We believe that this amended FOIA response continues to serve its intended purpose to provide basic location and other information about animal feeding operations in order to serve the public interest of ensuring that the EPA effectively implements its programs to protect water quality, while addressing the privacy interests of the agricultural community.

*Question.* I am told the original release contained no redactions based on FOIA Exemptions or the Privacy Act. Is this accurate?

*Answer.* Our initial FOIA response was released in the same condition as it was received by EPA from the States.

*Question.* EPA has now reportedly agreed that in the case of data from 10 States EPA should have redacted information. Is this an accurate rendering?

*Answer.* After a comprehensive review, the EPA determined that some personal information received from 10 States is subject to FOIA exemption 6 and took action to redact that information.

*Question.* Does EPA believe that the release of unredacted data in early February is consistent with applicable FOIA and Privacy Act law?

*Answer.* It was EPA's understanding, based on our communication with States, that the information received, and subsequently released, was all publicly available, either through an online database or through a public records request to each State. EPA requested only publicly available information from States. EPA believes that its response to the FOIA requesters was consistent with its obligations under the Privacy Act.

*Question.* With respect to the redactions that EPA now acknowledges should have occurred before any FOIA release occurred, has EPA asked for a list of entities and individuals who received (or viewed) the unredacted data?

For those individuals and entities, has EPA asked for affidavits certifying that those individuals and entities have not kept copies or otherwise released or inappropriately recorded the data that was subsequently redacted?

*Answer.* The EPA requested that all copies of the original response be returned from all the requesters. The EPA also requested that the requesters confirm that all copies of the information were destroyed. The FOIA requesters subsequently complied. The EPA will work together with our Federal partners, industry, and other stakeholders to ensure the agency continues to address the privacy interests of farmers.

*Question.* Is it EPA's goal to establish and publish a national livestock database to be published on EPA's website?

*Answer.* EPA has made no decision about establishing such a database and is coordinating with stakeholders and other Federal agencies to determine how data EPA has gathered about Concentrated Animal Feeding Operations (CAFOs) will be used.

<sup>5</sup>The 29 States are: Alabama, Arkansas, Arizona, Colorado, Florida, Georgia, Iowa, Illinois, Indiana, Louisiana, Maryland, Maine, Michigan, Missouri, Montana, North Carolina, North Dakota, Nebraska, New Jersey, New York, Ohio, Oregon, Pennsylvania, South Dakota, Tennessee, Texas, Utah, Wisconsin, and Wyoming.

<sup>6</sup>The 10 remaining States are: Arizona, Colorado, Georgia, Indiana, Illinois, Michigan, Montana, Nebraska, Ohio, and Utah.



*Question.* Does the Agency believe that publishing a national livestock database will make our food supply less secure?

Answer. As noted above, EPA has made no decision about establishing such a database. I can assure you that the agency's future actions to protect water quality will be done in coordination with industry, other Federal agencies, and other stakeholders to ensure the privacy interests of farmers and the integrity of our Nation's food supply.

COOLING WATER INTAKE STRUCTURES—CWA 316(b)

*Question.* With respect to EPA regulations addressing the systems and equipment that powerplants and manufacturing facilities use to pump water into a facility to manage heat:

Is EPA considering an impingement proposal that will consider each site on an individual basis, taking into account fish-protection measures in place, and consider the costs and benefits of mandating additional measures intended to address impingement?

Answer. The EPA proposed a regulation that would allow application of "best professional judgement" on how most effectively to address fish impingement for cooling water users who intake under 50 million gallons/day (MGD). A number of States expressed concern during the public comment period about the costs of implementing a site-specific approach to permitting. In a subsequent Notice of Data Availability, EPA also requested comment on adopting a site-specific approach to address impingement for all facilities. EPA received numerous comments on this issue. EPA is carefully considering these comments, in crafting the final rule consistent with the Clean Water Act.

*Question.* With respect to the requirements addressing the selection of and installation of entrainment and impingement technology, is the Agency considering making congruent the deadlines applicable to entrainment and impingement requirements?

Answer. Yes, EPA is considering including provisions in the final rule to align the deadlines for impingement and entrainment, so that facility compliance would be less costly and more efficient.

*Question.* I have constituents who are very concerned with the sheer volume of information that may be required to be submitted within 6 months of the final rule, (the (r)(2) through (r)(9) report submittals) which EPA has already collected through previous information requests. If this information has already been submitted, is the Agency considering writing the final rule such that facilities would be permitted to exclude previously submitted information from this list of requirements?

Answer. Yes, the EPA is considering how its final rule can limit information burden on facilities. For example, the EPA is considering provisions in its final rule that would reduce or eliminate information collection requirements when the permitting authority does not need the additional information.

*Question.* Will the Agency consider extending the deadline for submittal from 6 months to 1 year?

Answer. Yes, the Agency is considering this and other suggestions the Agency has received that would help minimize reporting requirements.

*Question.* The proposed rule, under (r)(9) Entrainment Characterization Study Plan, requires a peer review process that some consider undefined and unreasonable compared to any other rules EPA has promulgated. Is this requirement unlike a public comment period that would already be required by the facility's NPDES Permit, and if so, how?

Answer. In devising the proposed rule, EPA was concerned about the burden associated with site-specific decisionmaking that States would bear. EPA was sensitive to the fact that States may lack staff with economics expertise necessary to review benefit/cost analyses as part of NPDES permitting. EPA viewed peer review as a close substitute for State burden. EPA received public comments on the peer review requirements consistent with this question. In the final rule, EPA expects to address the burden of peer review and is considering altering the requirements to reduce peer review burden.

SUBCOMMITTEE RECESS

Senator REED. And if there is no further business before the subcommittee, the hearing is concluded.

[Whereupon, at 11:19 a.m., Wednesday, April 24, the subcommittee was recessed, to reconvene subject to the call of the Chair.]

**DEPARTMENT OF THE INTERIOR, ENVIRONMENT, AND RELATED AGENCIES APPROPRIATIONS FOR FISCAL YEAR 2014**

**TUESDAY, MAY 7, 2013**

U.S. SENATE,  
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,  
*Washington, DC.*

The subcommittee met at 10:31 a.m., in room SD-124, Dirksen Senate Office Building, Hon. Jack Reed (chairman) presiding.

Present: Senators Reed, Feinstein, Leahy, Tester, Udall, Merkley, Murkowski, Cochran, Alexander, Blunt, Hoeven, and Johanns.

**DEPARTMENT OF THE INTERIOR**

**OFFICE OF THE SECRETARY**

**STATEMENT OF HON. SALLY JEWELL, SECRETARY**

**ACCOMPANIED BY:**

**DAVID HAYES, DEPUTY SECRETARY**

**RHEA SUH, ASSISTANT SECRETARY, POLICY, MANAGEMENT AND BUDGET**

**PAMELA HAZE, DEPUTY ASSISTANT SECRETARY, BUDGET, FINANCE, PERFORMANCE AND ACQUISITION**

**OPENING STATEMENT OF SENATOR JACK REED**

Senator REED. Let me call the hearing to order. Good morning. On behalf of the Interior, Environment, and Related Agencies Appropriations Subcommittee, I'd like to convene this hearing on the fiscal year 2014 budget request for the Department of the Interior.

Before we begin, I'd like to take a moment to welcome our new Secretary, Sally Jewell, who was sworn in as the 51st Secretary of the Interior on April 12. We are all fortunate that she brings to her new position three decades of very distinguished experience as a corporate executive, a banker, petroleum engineer, and most recently, serving as the Chief Executive Officer of Recreational Equipment Incorporated. And just as importantly, I think, she also brings to the job her personal experience as an avid outdoorswoman and advocate for public lands.

So, thank you, Madam Secretary, for your commitment to service.

I congratulate you, obviously, on behalf of the entire subcommittee, and we are very, very pleased that we are able to host your very first congressional hearing as Secretary. I think, knowing

Senator Murkowski, we promise to behave. So, good luck. And I also look forward to hosting you up in Rhode Island to see one of America's great natural treasures.

Let me also recognize Deputy Secretary David Hayes, who is here for us in his final appearance before he departs for his new position at Stanford Law School and the Hewlett Foundation in June. David, thank you for your extraordinary experience in both the Obama administration and the Clinton administration. You have performed extraordinary service for the country. You've been very helpful to us in terms of offshore development of wind power off Rhode Island. And I want to thank you particularly for joining Senator Murkowski and me, and then Secretary Salazar, on our tour of Alaska, including the North Slope.

Now, subject to being corrected by Senator Murkowski, I don't think you'll find another restaurant quite as unique as Pepe's North of the Border in Barrow. If you do find such a restaurant in Stanford, please let us know, because we will go there.

But good luck in all you do. Thank you.

And let me also recognize Ms. Rhea Suh, Assistant Secretary for Policy, Management and Budget, and Pam Haze, her deputy. They provide extraordinary assistance, and they are the continuity and the expertise. Madam Secretary, I think you already recognize that, since David is leaving.

I also want to congratulate Ms. Haze because she has been recently awarded the Presidential Distinguished Rank Award to honor her exemplary service to the Department. So, Pam, well done. Thank you—an honor richly deserved.

#### 2014 BUDGET

As we turn to the budget, it's worth noting that the President's request for fiscal year 2014 provides the Interior Department with substantial increases for energy development, land acquisition, science programs, and operations of our Nation's public lands. And, Secretary Jewell, it's good to see such a strong budget request for conservation programs at a time when the Department has been challenged by the effects of sequestration and other pressures on the budget.

Let me suggest a few details that we can discuss as the hearing proceeds. All told, Interior Department programs funded by this subcommittee increased by almost 4 percent compared to fiscal year 2013, for a total of \$10.7 billion. The request includes \$2.6 billion to the National Park Service (NPS), which is a 4-percent increase more than fiscal year 2013. While the budget provides a significant increase for the operation of the national parks, however, I'm concerned that the budget again proposes to cut funding in half in National Heritage Areas, like the John H. Chafee Blackstone River Valley National Heritage Corridor in Rhode Island, and I look forward to discussing this issue with you.

Funding for the Bureau of Land Management (BLM) is also up 4 percent more than the fiscal year 2013 level, for a total of \$1.1 billion. That amount again includes a proposal for a \$48 million fee to strengthen the onshore oil and gas inspection program. The request also proposes to increase funding for the U.S. Fish and Wildlife Service budget by 7 percent, for a total of \$1.55 billion. That

amount includes increases for the National Wildlife Refuge operations and science programs. Additional investments in science and research are also made in the budget for the U.S. Geological Survey (USGS), which is slated to receive a 9-percent increase more than fiscal year 2013.

In this atmosphere, these increases are significant and notable, as you, I think, recognize, Madam Secretary.

Funding to the Department's offshore energy programs, which have long been an item of interest to the subcommittee, also increased by 9 percent, for a total of \$392 million. That amount includes \$169 million for the Bureau of Ocean Energy Management to fund new investments for permitting renewable energy projects like the ones we're pursuing off the coast of Rhode Island.

It also includes \$222 million to the Bureau of Safety and Environmental Enforcement, which handles inspections and enforcement related to offshore oil and gas production, and that is an increase of \$22 million more than fiscal year 2013 levels. The request includes \$777 million for Wildland Fire Management programs within the Department, a decrease of \$60 million below fiscal year 2013. But that amount fully funds the 10-year rolling average for fire suppression, but does not include offsetting cuts to the Hazardous Fuels Reduction program.

Finally, the budget request includes a major initiative to Land and Water Conservation Fund (LWCF), which I expect we'll discuss this morning. Specifically, the budget provides a total of \$600 million for the LWCF programs at the Interior Department and the U.S. Forest Service, including \$400 million in appropriations funded by this subcommittee. For the first time ever, the budget proposes to fund part of the land acquisition and conservation budget with mandatory, rather than discretionary, funding.

Obviously, I support this increased funding, but we have a long-term role in the allocation of these funds, and I think it's something that we should discuss with respect to this proposal. I indeed look forward to hearing from you.

With that, let me now turn to the ranking member and colleague, Senator Murkowski, for any comments she would make.

Senator.

#### STATEMENT OF SENATOR LISA MURKOWSKI

Senator MURKOWSKI. Thank you, Mr. Chairman. And welcome and good morning, Madam Secretary. It's good to have you before the subcommittee. This will be, of course, the first of many opportunities to sit down and work together on issues that are clearly important to our Nation, the public lands, clearly important to my State as the host of so many of those treasures. So again, welcome and congratulations.

I also want to acknowledge the good work of Deputy Secretary David Hayes, and I share the chairman's appreciation for the work that you have provided for the Department of the Interior under former Secretary Salazar. We all know that, we both know that there were some very difficult issues that you worked on, particularly the issues related to the Arctic Outer Continental Shelf (OCS). We didn't always agree on everything, but you were always

very honest, very open with me and my staff. I appreciate that, and I appreciate your leadership within the Department.

I am sorry to see you leave, but good luck to you as you go off to Stanford. And anytime you want to come fishing up north, you know that we're there to welcome you.

I also want to acknowledge today both Rhea Suh, the Assistant Secretary for Policy, Management and Budget, and of course, Pam Haze. Again, a great individual within the Department there, I appreciate your good work. Madam Secretary, I know that you're new to this position. But you truly do have a seasoned budget team with you today that I think will serve you well during your tenure.

Like your predecessor, who visited our State frequently, I hope, Madam Secretary, that you will come to Alaska soon. This is a critical time for our State. And I would certainly appreciate the opportunity to show you personally some of the things that are a priority for me and for Alaskans, not the least of which, we'll have an opportunity, hopefully in August, to go out to King Cove. But there's so much to see. So I look forward to those opportunities.

As you start your new position, I will say the same thing that I said, too, to my friend Ken Salazar, when he assumed the position as Secretary of the Interior. You are Alaska's landlord, effectively. We've got more than 220 million acres under the Department's jurisdiction, and that does not include the millions of acres of OCS waters. We have the Nation's largest National Wildlife Refuge, which is fully 85 percent of the entire refuge system. We have the Nation's largest national park and nearly one-third of all BLM lands, more than 75 million acres.

We also have one-half of all federally recognized tribes. And the trust responsibility that the Federal Government owes to our first peoples is very important to me. And at times, I don't think it has been given the attention that it deserves by either the Department of the Interior or BIA's sister agency, the Indian Health Service. So I hope that you would take a fresh look at improving the Department's relationship with Native Americans and Alaska Natives.

Now, turning to your budget, I know that most of it was largely developed prior to your assuming this position as Secretary. That's got to be a tough, tough situation to walk into. But I must tell you that there are two proposals in this request that are, frankly, an insult to the people of Alaska, and I'm speaking particularly of the legislative proposals concerning future funding for the cleanup of legacy wells in the National Petroleum Reserve—Alaska (NPRA) and the completion of surveys that are necessary to convey final patents to the State of Alaska and to Alaska Natives.

More than 100 wells were drilled by the Federal Government within the NPRA and then simply abandoned. The Government simply walked away. The annual budget for BLM has for many years contained base funding of only about \$1 million for cleaning up these wells. The last two sites that were addressed cost the agency \$2 million each to remediate to acceptable standards. So at this pace, it's going to take over 100 years to clean up this mess.

Interestingly, if the Federal Government were a private company operating on State lands, the fines, the fines alone would exceed \$8

billion. But we all know that the Federal Government is exempt from State regulation on its own lands.

While the current situation is bad enough, the budget now proposes to take the State's share of future revenues that are generated from the NPRA to pay for the cost of the cleanup. In other words, Mr. Chairman, what is proposed here, the budget proposes to charge the State of Alaska for the Federal Government's own mess. For what they failed to clean up, they are now asking the State to step in and pick it up.

And I just need to be very, very plain today. This proposal, in my view, is dead on arrival. It's just not going to happen. So we need to be working together to address the way that we will move forward with that, and I look forward to that opportunity.

Likewise, the notion that the State must pay for the final lands entitled to it under the statehood act is equally wrongheaded. This has been a problem for decades. So again, you are walking into a situation that has been out there unaddressed, and how you will deal with it is difficult. In 2004, the Congress passed the Alaska Land Transfer Acceleration Act that was intended to nearly finish conveyances by the 50th anniversary of statehood; that was back in 2009. That, of course, didn't happen. But at least the Department has made an attempt to increase the pace of conveyances, and I do appreciate that.

For the last several years, the Department annually slashes the budget request for this program, even though the State is still waiting for title to more than 37 million acres of its lands. Alaska Natives are awaiting final transfer of 11.4 million acres, fully one-quarter of their lands. Some 40 years after the fact, they're still waiting.

My staff has searched; they can find no other State in the Union that was ever asked to effectively pay to gain the lands that were promised them when they joined this Union. Not Arizona, not New Mexico, not Florida, not California—no one, not one State has been asked to foot the bill to pay for the lands. We're not going to start with Alaska.

I would ask, Mr. Chairman, I've received a letter from the Alaska Native Village CEO Association that speaks to the issue of the land conveyances, and I would ask that that be included as well, for the record.

Senator REED. Without objection.  
[The letter follows:]

## LETTER FROM THE ALASKA NATIVE VILLAGE CEO ASSOCIATION

ALASKA NATIVE VILLAGE  
CEO ASSOCIATION,  
*Anchorage, AK, April 19, 2013.*

Re: Funding for BLM Alaska Conveyance Budget.

Hon. DON YOUNG,  
*House of Representatives,  
Rayburn House Office Building, Washington, DC.*

Hon. LISA MURKOWSKI,  
*U.S. Senate, Hart Senate Office Building,  
Washington, DC.*

Hon. MARK BEGICH,  
*U.S. Senate, Russell Senate Office Building,  
Washington, DC.*

SALLY JEWELL,  
*Secretary of the Interior, Department of the Interior,  
C St. NW, Washington, DC.*

DEAR CONGRESSMAN YOUNG, SENATOR MURKOWSKI, SENATOR BEGICH, AND DIRECTOR JEWELL: I am writing on behalf of the Alaska Native Village CEO Association (ANVCA). ANVCA is the largest statewide Village' Association representing more than 80 Alaska Native Village Corporations. ANVCA's mission is to provide services that will improve the efficiency, profitability and stability to its member corporations and to advocate for policies that will benefit and protect interests of Alaska Native Village Corporations with local, State and Federal governments.

Due to the President's budget and the 8 percent sequestration which is in effect until the end of September, there is no funding for cadastral surveys of ANCSA Corporation exterior boundaries, 14(c) or pending Native Allotments this year, and possibly next year. This is unacceptable. BLM cannot follow through on its Federal mandate in ANCSA 13(a) which states: "The Secretary shall survey the areas selected or designated for conveyance to Village Corporations pursuant to the provisions of this act."

A number of ANCSA Village and Regional Corporations had remaining entitlements and 14(c) surveys that were ready for survey this summer; however BLM had funds to perform only one cadastral survey this year.

Many of these survey projects were to be contracted out to Public Law 638 Indian Self Determination and Education Act Contractors who perform the surveys on behalf of their own communities and on traditional lands. 638 Contracting promotes local hires, more funding is pumped directly into the local economy and the 638 contractors gain valuable Federal contracting experience.

This setback will have profound consequences on our community and our entire State, both economically and socially. Dozens of our Alaskan village lands need surveys on the ground so vested 14(c) claimants can receive title to their homes, businesses, subsistence campsites and land for community expansion. Without survey of home lots, local people have difficulty getting a loan from the bank. Municipal governments need site control to get State and Federal funding for pressing community needs. ANCSA Corporations have a liability issue that comes from owning land that the public uses. The lack of survey also means that title to our remaining Corporation land is clouded until the 14(c) obligation is done and surveyed lands are conveyed to individuals, organizations and the City. Lack of survey is not only an ANCSA Corporation problem; it is a State of Alaska problem as well.

Therefore, we urge you to make it a priority to restore, or even increase, funding for Alaska Native, and State of Alaska, lands through the Bureau of Land Management Alaska Conveyance Program for the survey of ANCSA and State lands.

Please feel free to contact me regarding this matter at any time by contacting ANVCA.

Thank you for your consideration.

NICHOLA RUEDY,  
*ANVCA Operations Manager.*

Senator MURKOWSKI. So, Madam Secretary, you have a very unique background. We had an opportunity to discuss this during your confirmation hearings, a unique background in both the oil and gas industry in the private sector, as well as the conservation



community. I know that some have perhaps been critical about your lack of experience in the public policy realm.

But I'm hopeful that, as a fresh set of eyes and new perspective like you bring can help us move beyond some of the traditional stalemates that we have faced that pit one interest against another. I honestly believe it's possible for you to set a policy agenda at the department that is beneficial to all parties.

My State and our country have so much potential to provide the help needed to address our Nation's energy, security, high unemployment, the sluggish economy. And I think that, working together, we can set this on the right course. So I appreciate your willingness to work with me on that.

Mr. Chairman, I thank you and all of our witnesses for appearing before this subcommittee today and look forward to the opportunity for questions.

Senator REED. Thank you, Senator Murkowski.

Let me just sort of give an overview of where we are. We have a 12 o'clock vote. It's now 10:45 a.m. We'll do 6-minute rounds, order of arrival, and we'll go by side to side.

At this point, if any of my other colleagues would like to make a very brief, in the order of 1-minute statement, I'd be happy to entertain it.

Very good. Thank you. In that case, Madam Secretary, your testimony is going to be made part of the record in its entirety. So feel free to summarize. Madam Secretary.

#### SUMMARY STATEMENT OF SALLY JEWELL

Secretary JEWELL. Thank you very much, Mr. Chairman, Ranking Member Murkowski, members of the subcommittee. It is an honor to present the fiscal year 2014 budget. I look forward to future years when I actually will have a hand in creating it. But I'm now in my fourth week on the job and certainly enjoying it so far.

I do want to recognize my colleagues up here at the table, and in particular thank David Hayes for his guidance and his leadership, and his willingness to stay through the end of June, because I am doing as much as I can to tap his wisdom. Rhea Suh and Pam Haze have been incredibly helpful to me, as well, and continue to be.

#### SEQUESTRATION

It's helpful to have a business background right now at this time in Government. I will do a glancing blow at sequestration. I can't not express that it is very, very difficult to walk into a Department that's just had an \$881 million cut to the budget for fiscal year 2013. Five percent in a year, but applied over the remaining months has been very, very difficult, and hard on employees, who are hardworking, who are committed to our mission, to all the things that you care about as well.

They're really taking it on the chin, from furloughs of U.S. Park Police, 14 days that they're not going to be getting paid, to a 25-percent reduction across the board in our seasonal hires. So wildlife biologists, law enforcement rangers, interpretive rangers, maintenance folks, it's just very, very difficult for us to carry out the mission in the way it's expected.

Just a couple of examples: Our public lands in all of your States have welcomed 435 million visitors a year, and they're going to see reductions in services and programs. Some of the parks won't be open to the extent that we would like them to be because you've got to protect the people and protect the resources.

On the energy side, we just announced that we would not be able to do a few lease sales in California through BLM, because we have to prioritize those activities that are already in flight, from an environmental safety and protection standpoint, to authorizing permits to drill. This is going to impact our ability on both the conventional energy side and the renewable energy side to complete the environmental impact statement work, the permits and so on.

I know it's not where you want us to go; it's certainly not where we want to go. This budget we're dealing with in fiscal year 2013 is roughly equivalent to where we were in 2006, not accounting for inflation. So it's very, very difficult. I have to say that I have been doing what I can to boost the spirit and encourage the people that work at Interior and devote so much of their time to this. But it's a rough year.

#### 2014 BUDGET

So fiscal year 2014 is a better choice for all of us. I know you all agree with that. The \$10.9 billion budget for fiscal year 2014 supports energy and conservation. It supports upholding our trust responsibilities, as Ranking Member Murkowski referenced, to Native Americans and Alaska Natives, and sound science to drive our decisionmaking.

The investments are focused on our economy, jobs, and our country's future. Of the \$513 million increase requested over the fiscal year 2012 enacted budget, about 40 percent of it is strictly for the fire program. So there's a lot of puts and takes.

#### LAND AND WATER CONSERVATION FUND

You referenced, Mr. Chairman, the LWCF and our request that over a 2-year period of time the funding be moved into the mandatory funding category. It fulfills, really, a 50-year promise to the American people to take offshore oil and gas revenues and mitigate those impacts by putting a portion of the revenues into conservation programs onshore. The LWCF has touched every single county across the United States. We think, given the environment that we're in, mandatory funding makes sense, and we could certainly get into more of that in the questioning.

#### SCIENCE

On the science side, we have a \$946 million investment in both basic and applied science to support the mission-essential programs. It's about a \$138 million increase from fiscal year 2012. What do we use this for? USGS and the FWS address invasive species threats. One big one is the Asian carp as it potentially moves into the Great Lakes. If we let that get out of control, we're in real trouble. This provides the science and the support to try and nip that in the bud before it becomes a problem.

The white-nose syndrome in bats, a big issue for the agricultural community, particularly in the Northeast, but actually throughout the country as well, again bringing the resources to bear from science to address things like that. The use of geographic information system mapping to get a lot smarter about how we manage our lands overall. These are all investments in science I think will help us carry out our mission and fulfill the interests of your States.

#### INDIAN PROGRAMS

On the Indian programs side, our fiscal year 2014 budget requests \$2.6 billion for Bureau of Indian Affairs programs overall. That is upholding our trust management responsibilities in Indian education, law enforcement, and social service programs. We have increases in this budget for contract support costs for tribes around their self-determination, to help combat domestic violence in Indian communities, help tribes manage their natural resources, and prepare for threats from climate change.

#### 2014 BUDGET

This is a balanced budget, from the standpoint of supporting the administration's priorities without adding a dime to the deficit. One thing that is beneficial about Interior is we generate revenue. This budget proposes to generate \$3.7 billion in additional revenue over 10 years. We've cut administrative costs by \$217 million by reducing travel and being strategic in purchasing since 2010. My colleagues here on my left have orchestrated the largest IT consolidation, perhaps across the Federal Government, which is saving hundreds of millions of dollars by being smarter and more efficient in how we deliver services.

And the budget reflects what a businessperson would do, which is pick your priorities, scale back in other areas so you can fund the areas important to you and that align with the missions of Interior. We have about \$600 million in reductions, which include \$476 million under the jurisdiction of this subcommittee, freeing up that money to fund the priorities you referenced in your opening statements.

We want to manage this Department, and I will bring my business expertise to the table to deliver on our missions effectively and support the American taxpayer.

Final note on Hurricane Sandy. I want to thank all of you for your efforts to pass the Hurricane Sandy supplemental appropriations act, and a little later on today, we'll be issuing a press release on \$475 million to be released to support Hurricane Sandy relief efforts. Mr. Chairman, it is \$1.5 million for refuges in Rhode Island. It is reopening the Statue of Liberty for the Fourth of July, and many other programs identified in that press release that will repair the damage and also create more resilience for the future, as we have additional storm events that are impactful.

#### PREPARED STATEMENT

So, I thank you very much for the opportunity and privilege to be here. And we all look forward to your questions. Thank you.

[The statement follows:]

PREPARED STATEMENT OF SALLY JEWELL

Mr. Chairman and members of the subcommittee, I am pleased to be here today. I am glad to have an opportunity to talk with you about my priorities, the Department's continuing role in job creation and the economy, and how we are practicing good Government.

We share very deep connections in our roles as stewards of the Nation's parks, forests, deserts, rivers, and seashores and as the keeper of the history of this country. We share responsibilities to protect and advance the role of public lands and Indian lands as huge economic engines for the Nation. From energy development, to grazing, to logging, tourism and outdoor recreation, our lands and waters power our economy and create jobs. In many of your States, the revenues we share from energy production and other activities are a critical component of the local economy.

I believe our partnership efforts and ability to resolve challenges and take advantage of opportunities will advance our goals and shape our country for years to come.

2013 APPROPRIATIONS

Before I talk about the 2014 President's budget, I would like to paint the contrast created by the 2013 budget situation. For the programs that this subcommittee oversees, the Department's operating level for 2013 is \$9.9 billion, including a sequester cut of \$523 million.

The cuts to our budget push us back in time to funding levels we last saw in 2006. The cuts reverse much of the progress made by Secretary Salazar, who worked in partnership with this subcommittee to build capacity to advance the President's all-of-the-above energy strategy; conserve our lands, waters and wildlife; advance youth engagement in the outdoors; and honor commitments to Indian Nations. I will admit we were disappointed by the outcome of the 2013 budget. It has resulted in dispirited agencies and demoralized employees and it undermines the work we need to do on so many fronts.

I look at the Bureau of Land Management, an agency that has a diverse and challenging set of responsibilities, and I feel a sense of loss about the impacts to their budget. BLM balances its dual missions to protect and conserve natural and cultural resources, oversee and manage the development of energy and minerals, and responsibly manage historic uses of public lands for grazing and timber production, while meeting public demands for wilderness designation and recreation. This agency of nearly 11,000 employees has the enormous responsibility of managing 245 million acres of land and a mineral estate of 700 million acres. BLM oversees 6,000 miles of trails in 14 States, hosts 59 million visitors annually, and oversees the production of 41 percent of the coal produced in this country. BLM's vast estate and complex mission requires a balancing of work and stretches resources across 17 western States.

BLM strives to be a good neighbor. The BLM's operating budget is reduced from last year's operating level by \$70 million or 6 percent. This reduction comes now, halfway through the fiscal year and at the start of field season. The outcome of the 2013 appropriation process will slow BLM's efforts to strengthen the management and permitting processes for oil and gas, minerals and coal on public lands; reduce efforts underway to protect and restore sage grouse habitat; reduce our partnerships that help to maintain trails and recreation opportunities; and slow the issuance of grazing permits and timber leases. This will impact BLM's ability to be a good neighbor because it will be necessary to reduce invasive species control, the protection of archeological sites, and limit access for camping, hunting and fishing, and other recreation.

In the coming months you will see these types of impacts across the country in all of our bureaus and offices. You will also see the impacts on your constituents because of cutbacks in programs and services and because of reduced revenue sharing, grants and contracts. We recently notified State treasurers that they can expect to receive reduced mineral payments for the balance of the fiscal year and we notified county commissioners that Payments in Lieu of Taxes payments will be reduced.

This discussion is important—we are at a watershed moment for our Nation. We can't continue to mortgage our future by cutting back on programs that fulfill commitments to the Nation for natural and cultural resource stewardship, energy independence, and upholding our commitments to Indian Tribes. Interior's budget is 1 percent of discretionary spending—a small slice of the pie. However, cuts to our programs have disproportionate impacts that we cannot continue to erode.

Our Department collects nearly \$13 billion annually through mineral extraction, grazing and timber activities on public lands, and recreation fees. We share nearly \$5 billion of these revenues annually with States, tribes, counties and others in the form of grants and direct payments. An additional \$2 billion of our budget is used in local communities across the Nation through contracts for goods and services.

We will survive these cuts in 2013 by freezing hiring, eliminating seasonal positions, and cutting back on our programs and services. These steps are essential in order to maintain our core mission to serve the public. However, they are not sustainable, as these actions which are eroding our workforce, shrinking our summer field season, and deferring important work cannot be continued in future years without further severe consequences to our mission.

#### 2014 BUDGET

The 2013 situation is in stark contrast to our 2014 budget. Interior's 2014 budget represents the needs of this Department in balance with the constrained fiscal situation. The budget will help us to operate effectively and fulfill our mission requirements and authorized purposes as prescribed by the Congress.

The 2014 budget request includes \$10.9 billion for programs under the jurisdiction of the Interior, Environment and Related Agencies Subcommittee. The budget for current appropriations is \$513.2 million or 5 percent above the 2012 level.

Including the Bureau of Reclamation and the Central Utah Completion Act, which is under the jurisdiction of the Energy and Water Development Subcommittee, the 2014 President's budget includes \$11.9 billion, an increase of \$486.4 million. Interior's budget request includes reductions and savings of over \$600 million. These reductions reflect the outcome of difficult choices, sacrificing in many areas, deferring projects, and programming savings for efficiencies in order to maintain funding for highest priorities.

It is important to put this budget in context. The context is the complex mission the Department of the Interior has and how the mission affects the lives of all Americans. Nearly every American lives within an hour's drive of lands or waters managed by the Interior Department. In 2012, there were 483 million visits to Interior-managed lands. Recreational visits to Interior's lands had an economic benefit to local communities, particularly in rural areas, contributing an estimated \$48.7 billion in economic activity in 2011. The Department oversees the responsible development of 23 percent of U.S. energy supplies, is the largest supplier and manager of water in the 17 western States, maintains relationships with 566 federally recognized Tribes, and provides services to more than 1.7 million American Indian and Alaska Native peoples.

Achieving success in all of these important responsibilities on behalf of the American people is the Department's primary focus. The American people deserve nothing less.

#### INVESTING IN AMERICA

Through the America's Great Outdoors initiative, the administration is working to expand opportunities for recreation and conservation, through partnerships with States and others, and the promotion of America's parks, refuges, and public lands. The benefits extend beyond the conservation of natural resources and engagement of Americans with the outdoors. According to the Outdoor Industry Association, the American outdoor recreation economy provides an estimated 6.1 million jobs, spurs \$646 billion in spending, and brings \$39.9 billion in Federal tax revenue and \$39.7 billion in State and local tax revenue.

I am very excited the 2014 budget request includes increased funding for the Land and Water Conservation Fund and a legislative proposal to establish dedicated mandatory funding for LWCF programs, with full funding at \$900 million beginning in 2015. Enactment of a mandatory LWCF program would ensure continued funding for this program that was designed to make investments in conservation and recreation as compensation to the American people for the development of oil and gas resources. In 2014, the budget includes \$600 million for LWCF, including \$200 million in mandatory funding to supplement discretionary funds and provide an additional \$141 million for Interior programs, including \$88 million for Federal land acquisition, and \$53 million for recreational and conservation grants. The budget includes \$59 million in mandatory funding for U.S. Department of Agriculture's Forest Service.

The AGO initiative is encouraging innovative partnerships in communities across the Nation, expanding access to rivers and trails, creating wildlife corridors, and promoting conservation while working to protect historic uses of the land including ranching, farming, and forestry. These efforts are based on donations reflecting the

support of local communities to protect these areas and create more open space. For example, in 2012, the Department established the Swan Valley Conservation Area which connects the Canadian Rockies with the central Rockies of Idaho and Wyoming. The FWS established the area in partnership with landowners who voluntarily entered their lands into easements. The new area will protect one of the last low-elevation, coniferous forest ecosystems in western Montana that remains undeveloped and provide habitat for species such as grizzly bears, gray wolves, wolverines, and Canada lynx.

The 2014 budget includes \$5.3 billion in current authority for AGO activities, an increase of \$179.8 million above 2012. Funding is focused on land acquisition programs supported through the Land and Water Conservation Fund as well as land management operations, and other grant and technical assistance programs to promote conservation and improve recreational access. This includes \$120.2 million for river restoration activities by the Bureau of Reclamation, a new addition to our AGO portfolio in 2014.

The AGO request includes \$10 million for a revitalized and refocused Urban Parks and Recreation Resource grant program, and \$3 million for a Historic Preservation Fund competitive grant program to support projects that help to tell the broader and diverse aspects of America's story.

The 2014 budget continues a collaborative effort begun last year with the U.S. Department of Agriculture's Forest Service in the to focus on the conservation and restoration of landscapes and working lands, protecting ecosystems and the communities that depend on them. This approach works with partners at the local level to identify landscape areas or ecosystems for collaborative and leveraged conservation investments. Working jointly with the Forest Service, Interior has identified four focal landscape areas for targeted investment of \$169.3 million in 2014.

#### A STRONGER ENERGY FUTURE

Interior enables the safe and environmentally responsible development of conventional and renewable energy on public lands and the Outer Continental Shelf. The Department's oil and gas development activities accounted for nearly \$9.7 billion of the receipts generated by Interior's activities in 2012. For the past several years, Interior has targeted investments in America's energy future, particularly to encourage the development of renewable energy on the Nation's public lands and offshore areas where it makes sense. In 2009, there were no commercial solar energy projects on or under development on the public lands. From 2009 through March 2013, Interior authorized 37 renewable energy projects on or through the public lands which, if constructed, will have the potential to produce enough electricity to power more than 3.8 million homes. The Department also plays a key role in efforts to strengthen the Nation's electric transmission grid. In 2012, Interior approved permits enabling more than 350 miles of transmission lines in seven States across Federal lands.

A stronger America depends on a growing economy that creates jobs. No area holds more promise than investments in American energy, with the potential to provide clean, low cost, reliable, and secure energy supplies. Success depends on the country's ability to pursue an all-of-the-above energy strategy. Interior's energy resource programs are at the forefront of this objective. The 2014 budget includes \$771.6 million for renewable and conventional energy programs, an increase of \$97.5 million above 2012. This includes \$1.1 million for the Bureau of Reclamation to better integrate renewable energy technology into their projects, building on significant investments to date. Reclamation's 58 hydroelectric power plants generate more than 40 billion kilowatt hours of electricity to meet the needs of over 3.5 million households and generate over \$1 billion in gross revenues for the Federal Government.

Renewable energy, particularly solar and wind power, is a crucial and growing component of the administration's all-of-the-above energy strategy. Among the significant results achieved for renewable power, since 2009, BLM has authorized more than 11,500 megawatts of energy on public lands and waters, established a road map for responsible solar development in the West designating energy zones, and flipped the switch on the first solar energy project to deliver power to the grid. The BLM also released the Final Environmental Impact Statement for a proposed 750 megawatt facility in Riverside County that would be one of the largest solar energy projects on public lands in the California desert. The BLM is also moving forward on wind energy, with a proposed complex in Wyoming that would generate up to 3,000 megawatts of power, making it the largest wind farm facility in the United States and one of the largest in the world. The 2014 budget includes \$29.1 million in BLM for onshore renewable energy programs.

Significant progress has been made to advance offshore wind energy. In 2012, BOEM issued the second non-competitive commercial wind lease off the coast of Delaware, and moved forward with first-ever competitive lease sales for wind energy areas off Virginia and Rhode Island/Massachusetts. These sales involve nearly 278,000 acres proposed for development of wind generation to produce electricity to power as many as 1.4 million homes. The 2014 budget includes \$34.4 million in BOEM for offshore Renewable Energy development.

Interior oversees onshore production of oil, gas, and coal on over 700 million acres of subsurface mineral estate and continues efforts to expand safe and responsible onshore energy development. In calendar year 2012, the Bureau of Land Management held 31 onshore oil and gas sales. Although we planned to conduct 33 sales in 2013, the sequester is anticipated to result in fewer and smaller lease sales. The BLM sales resulted in 1,707 parcels of land receiving bids in 2012, 30 percent more than in 2009. Onshore oil and gas leasing reforms put in place in 2010 resulted in fewer protests; less than 18 percent of 2,064 parcels offered in fiscal year 2012 were protested, the lowest since fiscal year 2003, reducing costs and speeding development. In 2014, the Department proposes a total of \$127.1 million in current appropriations and offsetting fees for BLM's oil and gas program, representing an increase of \$23 million in program capacity. This includes \$48 million in proposed inspection fees, allowing for an increase of \$10 million in BLM inspection and enforcement resources, along with a reduction of \$38 million in requested appropriations for the program. The proposed onshore inspection fee is similar to the fee now charged to inspect offshore rigs and platforms.

Interior has been similarly active in supporting offshore production of oil and gas, while continuing to stress management and oversight reforms identified as a result of the Deepwater Horizon incident. At the end of 2012, more rigs were operating in the gulf than in the previous 2½ years, equaling the number of rigs in the gulf before the Deepwater Horizon oil spill. In 2012 alone, BSEE approved 112 new deepwater well permits, higher than in either of the 2 years preceding the Deepwater Horizon oil spill. At the same time, the Department has implemented safety and environmental management systems regulations; issued a new drilling safety rule to refine safety reforms and strengthen requirements; took steps to hold contractors accountable for their actions offshore; conducted the first full-scale capping stack deployment exercise to respond to a potential future well blowout scenario; and provided new guidance on oil spill response plans.

Interior released a new 5-year program for offshore leasing last year, making areas containing an estimated 75 percent of the technically recoverable offshore oil and gas resources available for exploration and development. In March 2013, BOEM held the second Gulf of Mexico sale under the new OCS Plan, drawing 407 bids on 320 tracts covering more than 1.7 million acres offshore Alabama, Louisiana, and Mississippi, with high bids totaling \$1.2 billion. In 2012, BOEM began to assess energy resource potential off the coast of the Mid and South Atlantic. In 2012, Interior also oversaw the first new exploratory activity in the Alaskan arctic in a decade, with Shell Oil Company beginning limited preparatory drilling activities in the Chukchi and Beaufort Seas under strict safety and environmental oversight. The 2014 budget includes a legislative proposal to implement an agreement reached in 2012 with the Government of Mexico to open up previously off limits transboundary oil and natural gas reservoirs in the Gulf of Mexico. The 2014 budget includes \$478.2 million for conventional offshore oil and gas activities. The Department estimates the exploration and production of oil, gas, coal, hydropower, and minerals on Federal lands contributed nearly \$275 billion to the U.S. economy in 2011.

#### FULFILLING THE TRUST

This administration has made it a top priority to help bring real and lasting change in Indian Country and to open a new constructive chapter of relations with Native Americans. The administration has a comprehensive agenda to reform, repair, and rebuild Federal relations with Indian Country to ensure American Indians and Alaska Natives are offered the opportunities they deserve. This means respecting the inherent sovereignty of tribal nations and making sure the Federal Government is honoring its commitments, fulfilling its trust responsibilities to tribal nations and individuals, providing resources, working cooperatively to build stronger economies and safer communities, and providing high quality education opportunities for Indian youth at schools funded by the Bureau of Indian Education.

Interior has worked diligently to restore tribal homelands. Since 2009, Interior has acquired more than 190,000 acres of land into trust and processed over 1,000 requests for land acquisitions that will allow for economic development, natural resource infrastructure, and health and housing projects to move forward as deter-

mined by the Tribes. The Secretarial appointed National Commission on Indian Trust Administration and Reform will help further these efforts as it undertakes a forward-looking, comprehensive evaluation of the Department's trust management.

One of the most significant recent developments regarding Interior's trust responsibilities was passage of the Claims Resolution Act of 2010, which ratified the \$3.4 billion *Cobell v. Salazar* settlement agreement and four tribal water rights settlements. The settlement became final on November 24, 2012, following action by the U.S. Supreme Court and expiration of the appeal period.

Interior has launched implementation of a \$1.9 billion Indian Land Buy-Back Program, authorized in the legislation, to purchase fractionated interests in trust or restricted land from willing Individual Indian account holders at fair market value within a 10 year period. The program enables tribal governments to use consolidated parcels for the benefit of their communities. Interior will administer the program by securing the Department's extensive expertise and services, primarily in BIA and the Office of Special Trustee for American Indians, to implement the operational aspects, including valuations and acquisitions. As an added incentive to willing sellers, the Indian Land Buy-Back Program will fund up to \$60 million for a scholarship fund for American Indian and Alaska Native students.

The entire program will be based on consultation with and participation of Tribes. Building on the *Cobell v. Salazar* settlement, the administration has engaged tribes in Nation-to-Nation negotiations on 59 additional settlements leading to over \$1.1 billion in settlements to resolve long standing trust accounting and trust management claims.

Interior has also taken another step to give tribes and individual Indians greater control over their own lands with the finalization of the most sweeping reform of Federal surface leasing regulations in more than 50 years. The new regulations remove bureaucratic redtape and streamline the approval for homeownership, expedite economic development, and spur renewable energy. As a result, individuals and tribes will have the ability to do fundamental things on tribal lands, like buy a home or build a business. The 2014 budget includes increases in Trust Real Estate Services, including a general increase of \$4.2 million to support these efforts.

The 2014 budget proposes an interim solution in the way in which funds are budgeted for contract support costs, which are important to the furtherance of self-governance and Indian self-determination. The 1975 Indian Self-Determination and Education Assistance Act, as amended, allows tribes to implement programs previously administered by the Federal Government through contractual arrangements. In turn, tribal contractors are paid for the administration of those programs, known as contract support costs. Contract support costs funds are used by tribal contractors to pay a wide range of administrative and management costs, including but not limited to finance, personnel, maintenance, insurance, utilities, audits, and communications. These funds allow tribes to manage the programs for which they contract, and eliminate the need for tribes to use program funds to fulfill administrative requirements. The 2014 request for these costs is \$231 million, an increase of \$9.8 million above the 2012 enacted level.

In light of the Supreme Court's *Salazar v. Ramah Navajo Chapter* decision, the administration is proposing Congress appropriate contract support costs funding to tribes on a contract-by-contract basis. To ensure as much clarity as possible regarding the level of contract support costs funding, the administration will provide Congress a contract-by-contract funding table for incorporation into the appropriations act. The administration proposes this change as an interim step. The broader goal is to develop a longer-term solution through consultation with the Tribes, as well as streamline and simplify the contract support costs process which is considered by many as overly complex and cumbersome to both tribes and the Federal Government.

Another area of emphasis reflected in the 2014 budget is a commitment to resolve tribal water rights claims and ensure Native American communities have access to use and manage water to meet domestic, economic, cultural, and ecological needs. Including funding for technical and legal support and for authorized settlements involving tribal waters, the 2014 budget request totals \$159.6 million, which is an increase of \$25.9 million over 2012. This includes a total of \$135.3 million within the Bureau of Reclamation and Indian Affairs to implement water rights settlements, an increase of \$20.4 million above 2012. For communities benefiting from these settlements, a permanent water supply will vastly improve their quality of life and will offer greater economic security immediately as well as into the future.

To strengthen the Department's capacity to meet its trust responsibilities and more effectively partner with tribes on water issues, \$3.4 million in increases are provided in BIA's budget to support Water Management and Planning, Water Rights Litigation, and to conduct a comprehensive Department-wide evaluation to



strengthen engagement, management, and analytical capabilities of the Indian Water Rights Office and other bureaus and offices that work on these issues. An increase of \$766,000 in Reclamation's Native American Affairs Program and \$1 million in the Cooperative Water Program at USGS will also strengthen technical analysis in support of water rights settlement work.

Interior is working to improve other services in Indian Country. In education, Interior is working with the Department of Education to develop a national education reform agenda to better serve Indian children in BIE schools. The two agencies signed an agreement to bolster cooperation and coordination. The budget includes \$15 million to fund an elementary and secondary school pilot program based on the successful Department of Education turnaround schools model. Grants will be awarded to BIE-funded schools demonstrating the greatest need for the funds and the strongest commitment for substantially raising the achievement of students.

Interior is putting more law enforcement officers in Indian communities, and improving training and equipment. Interior's revamped recruiting process for BIA law enforcement officers has increased the number of applicants for those positions by 500 percent, resulting in the largest officer hiring increase in BIA history. A pilot program of intense community policing on four reservations experiencing high crime rates saw promising results, a combined reduction of violent crime of 35 percent after the first 24 months. Now, 12 months later, crime continues to drop for a new combined reduction of 55 percent. Interior has expanded this successful pilot program to two additional reservations. The 2014 budget of \$2.6 billion includes \$365.3 million for BIA's Public Safety and Justice program, an increase of \$19 million.

#### SPURRING GROWTH AND INNOVATION THROUGH SCIENCE

The proposed 2014 budget provides strong support for basic and applied science to support sustainable stewardship of natural resources as part of Interior's mission. The budget requests \$963.1 million for research and development across the Department. These investments promote economic growth and innovation, advance American competitiveness in the global market, strengthen natural hazard preparedness and improve the Nation's fundamental understanding of our natural resources and environmental capital at the heart of resource development, and human and environmental health issues. Program increases will support the application of science to address critical challenges in energy and mineral production, ecosystem management, invasive species, oil spill restoration, climate adaptation, and Earth observation (such as satellite and airborne land imaging and water and wildlife monitoring).

Interior's mission requires a careful balance between development and conservation. The Department works to achieve this balance by working closely with its diverse stakeholders and partners to ensure its actions provide the greatest benefit to the American people. Central to this mission is the development and use of scientific information to inform decisionmaking. Scientific monitoring, research, and development play a vital role in supporting Interior's missions and Interior maintains a robust science capability in the natural sciences, primarily in the U.S. Geological Survey. An example of how this expertise is applied is USGS's work as part of an interagency collaboration on hydraulic fracturing, which is aimed at researching and producing decision-ready information and tools on the potential impacts of hydraulic fracturing on the environment, health, and safety, including water quality and inducement of seismic activity. The budget includes \$18 million to continue the inter-agency collaboration to investigate the impacts of hydraulic fracturing.

As the Department's premier science agency, the U.S. Geological Survey is funded at \$1.2 billion in the proposed budget, an increase of \$98.8 million above the 2012 enacted level, the majority of which is requested for increased research and development. Funding supports research needed for the development of domestic energy, protection of critical water resources, and to respond to natural disasters. The 2014 request emphasizes investments in science unique to USGS that will address national impacts such as hydraulic fracturing, and research, monitoring and tools to make science usable by decisionmakers in ecosystem restoration efforts in the Chesapeake Bay, California Bay-Delta, and the Upper Mississippi River.

The USGS provides exceptional support to Interior bureaus, however USGS alone cannot provide for all of Interior's scientific needs. The USGS and other Interior bureaus work collaboratively to find answers and to translate and apply scientific information and tools to important natural resource management questions. Science funding at the bureau and office level allows bureaus and offices to collaborate to produce and translate science into management-ready information, providing required resources to purchase studies, models, and expertise, and to hire scientists to help managers interpret the vast body of knowledge generated by USGS, univer-

sities, and other scientific institutions. These resources help answer imminent and important natural resource management questions and provide near-term solutions to address urgent and emerging issues such as the white-nose syndrome in bats.

Interior agencies work collaboratively to bridge gaps in knowledge, leveraging the complementary skills and capacity to advance the use of science to support management decisionmaking, ensure independent review of key decisions and science integrity, and adaptively use data to assist States, Tribes, and communities throughout the Nation.

#### WATER FOR A GROWING AMERICA

Although the Bureau of Reclamation is within the jurisdiction of the Energy and Water Subcommittee, it plays a critical role in addressing the Nation's water challenges which are of interest the subcommittee. Reclamation maintains 476 dams and 337 reservoirs with the capacity to store 245 million acre-feet of water. The bureau manages water for agricultural, municipal, and industrial use, and provides recreation for millions of people. Reclamation's activities, including recreation, generate estimated economic benefits of over \$55 billion and support nearly 416,000 jobs.

These facilities deliver water to one in every five western farmers to irrigate about 10 million acres of land, and provide water to over 31 million people for municipal and industrial uses and other non-agricultural uses. The water managed by Interior irrigates an estimated 60 percent of the Nation's vegetables each year. Reclamation facilities also reduce flood damages in communities where they are located and thereby create an economic benefit by sparing these communities the cost of rebuilding or replacing property damaged or destroyed by flood events.

Population growth, development, and a changing climate are creating growing challenges to the Nation's water supplies. In many areas of the country, including the arid West, dwindling water supplies, lengthening droughts, and rising demand for water are forcing communities, stakeholders, and governments to explore new ideas and find new solutions to ensure stable, secure water supplies for the future.

Interior is tackling America's water challenges by providing leadership and assistance to States, tribes, and local communities to address competing demands for water. Interior's programs are helping communities improve conservation and increase water availability, restore watersheds, and resolve long standing water conflicts. Interior is leading a national water conservation initiative, WaterSMART. The acronym stands for Sustain and Manage America's Resources for Tomorrow. WaterSMART is finding better ways to stretch existing supplies and helping partners plan to meet future water demands.

The USGS is a key partner in Interior's WaterSMART initiative, by contributing research as part of its WaterSMART Availability and Use Assessment effort. The 2014 budget for the USGS includes \$22.5 million for WaterSMART activities.

In 2012, USGS began a 3 year study of three focus areas in the Delaware River Basin, the Apalachicola-Chattahoochee-Flint River Basin, and the Colorado River Basin. The studies focus on water availability, investigating the components of a regional water budget to understand the amount entering and leaving each basin. This work contributed to The Colorado River Basin Water Supply and Demand Study released by the Department in December 2012, funded by the Bureau of Reclamation and the seven States in the Colorado River Basin. This first of a kind study projects an average imbalance in future water supply and demand greater than 3.2 million acre-feet by 2060. The study projects the largest increase in demand will come from municipal and industrial users, owing to population growth. The Colorado River Basin currently provides water to 40 million people. The study estimates this could double to nearly 76 million people by 2060, under a rapid growth scenario.

#### FISCAL RESPONSIBILITY

This budget recognizes the need for fiscal responsibility. The priority programs are level funded with 2012 and limited strategic investments proposed in 2014 are balanced by reductions in lower priority programs, deferrals and planning efficiencies.

Despite increased resources needed for programs and services, Interior will continue to improve efficiency and reduce its workforce. Staffing reductions of 593 from 2012 are planned for 2014. These personnel reductions are focused on areas where there are funding reductions. Staffing reductions will be achieved through attrition, outplacement, and buy-outs in order to minimize the need to conduct reductions in force to the greatest extent possible.

This budget is responsible, with over \$600 million in program terminations, reductions, and savings from administrative efficiencies and improvements. The budget also continues efforts to shift program costs to industry where appropriate, and in so doing, improve program effectiveness. Permanent funding that becomes available as a result of existing legislation without further action by the Congress results in an additional \$6.3 billion, for \$18.3 billion in total budget authority for Interior in 2014.

#### MANDATORY PROPOSALS

The 2014 budget includes 17 mandatory proposals that will be submitted to the Congress to collect a fair return to the American taxpayer for the sale of Federal resources, to reduce unnecessary spending, and to extend beneficial authorities of law. Revenue and savings proposals will generate more than \$3.7 billion over the next decade. The 2014 budget also includes three mandatory spending proposals estimated at \$8.1 billion in outlays over the next decade.

*Land and Water Conservation Fund.*—The Department of the Interior will submit a legislative proposal to permanently authorize annual funding, without further appropriation or fiscal year limitation, for LWCF programs in the Departments of the Interior and Agriculture. During a transition to permanent funding in 2014, the budget proposes \$600 million in total LWCF programs funding, comprised of \$200 million permanent and \$400 million current funding. Starting in 2015, the fully authorized level of \$900 million in permanent funds will be authorized each year.

*Payments in Lieu of Taxes.*—The authorization for permanent PILT payments was extended through 2013 as part of the Surface Transportation Extension Act of 2012. The 2014 budget proposes to extend authorization of the program an additional year through 2014, while a sustainable long-term funding solution is developed for the PILT Program. The PILT payments help local governments carry out vital services, such as firefighting and police protection, construction of public schools and roads, and search and rescue operations.

*Palau Compact.*—On September 3, 2010, the United States and the Republic of Palau successfully concluded the review of the Compact of Free Association and signed a 15-year agreement that includes a package of assistance through 2024. The 2014 budget assumes authorization of permanent funding for the Compact occurs in 2013. The cost for this proposal is estimated at \$189 million over the 2014 through 2023 period.

*Federal Oil and Gas Reforms.*—The budget includes a package of legislative reforms to bolster and backstop administrative actions being taken to reform the management of Interior's onshore and offshore oil and gas programs, with a key focus on improving the return to taxpayers from the sale of these Federal resources. Proposed statutory and administrative changes fall into three general categories: (1) advancing royalty reforms, (2) encouraging diligent development of oil and gas leases, and (3) improving revenue collection processes. Collectively, these reforms will generate roughly \$2.5 billion in net revenue to the Treasury over 10 years, of which about \$1.7 billion would result from statutory changes. Many States will also benefit from higher Federal revenue sharing payments.

*Helium Sales, Operations and Deposits.*—The Department will submit a legislative proposal to authorize the Helium Fund to continue activities supporting the sale of helium. Under the Helium Privatization Act of 1996, the Helium Fund is set to expire upon repayment of the helium debt, anticipated to occur the first quarter of 2014. This proposal will allow continued operation of the Helium program while facilitating a gradual exit from the helium market. Additional revenues from this proposal are estimated at \$480 million over the decade.

*Transboundary Gulf of Mexico Agreement.*—The 2014 budget includes a legislative proposal to implement the Agreement between the United States and the United Mexican States concerning Transboundary Hydrocarbon Reservoirs in the Gulf of Mexico, signed by representatives of the United States and Mexico on February 20, 2012. The Agreement establishes a framework for the cooperative exploration and development of hydrocarbon resources that cross the United States-Mexico maritime boundary in the Gulf of Mexico. The Agreement would also end the moratorium on development along the boundary in the Western Gap in the gulf. The budget assumes revenues from lease sales in this area will generate an estimated \$50 million for the Treasury in 2014.

*Return Coal Abandoned Mine Land Reclamation Fees to Historic Levels.*—The budget proposes legislation to modify the 2006 amendments to the Surface Mining Control and Reclamation Act, which lowered the per-ton coal fee companies pay into the AML Fund. The proposal would return the fees to the levels companies paid prior to the 2006 fee reduction. The additional revenue, with estimated net savings

of \$54 million over 10 years, will be used to reclaim high priority abandoned coal mines.

*Reallocate NPR-A Revenues to Priority BLM Alaska Activities.*—The budget proposes to temporarily redirect revenue sharing payments to the State of Alaska from NPR-A oil and gas development to a new Alaska Land Conveyance and Remediation Fund. This fund would supplement current appropriations and address priority BLM program needs in Alaska, specifically the remediation of oil and gas legacy wells in NPR-A and the completion of remaining land title conveyances to the State of Alaska, individual Alaska Natives, and Alaska Native Corporations.

*Discontinue AML Payments to Certified States.*—The budget proposes to discontinue the unrestricted payments to States and tribes certified for completing their coal reclamation work. While the Surface Transportation Extension Act of 2012 capped annual payments to each certified State and tribe at \$15 million, this proposal terminates all such payments, with estimated savings of approximately \$327 million over the next 10 years.

*Reclamation of Abandoned Hardrock Mines.*—To address the legacy of abandoned hardrock mines across the United States and hold the hardrock mining industry accountable for past mining practices, the Department will propose legislation to create a parallel Abandoned Mine Lands Program for abandoned hardrock sites. A new AML fee on hardrock production on both public and private lands would be allocated to reclaim the highest priority hardrock abandoned sites on Federal, State, tribal, and private lands. Additional revenue is estimated at \$1.8 billion for the 2014–2023 period, while outlays for reclamation projects, which lag behind collections, are estimated at \$1.3 billion over the same period.

*Reform Hardrock Mining on Federal Lands.*—Interior will submit a legislative proposal to provide a fair return to the taxpayer from hardrock production on Federal lands. The legislative proposal will institute a leasing program under the Mineral Leasing Act of 1920 for certain hardrock minerals including gold, silver, lead, zinc, copper, uranium, and molybdenum, currently covered by the General Mining Law of 1872. The proposal is projected to generate revenues to the U.S. Treasury of \$80 million over 10 years, with larger revenues estimated in following years.

*Net Receipts Sharing for Energy Minerals.*—The Department proposes to make permanent the current arrangement for sharing the cost to administer energy and minerals receipts. Under current law, States receiving significant payments from mineral revenue development on Federal lands also share in the costs of administering the Federal mineral leases from which the revenue is generated. Permanent implementation of net receipts sharing is expected to result in savings of \$44 million in 2015 and \$421 million over 10 years.

*Geothermal Energy Receipts.*—The Department proposes to repeal section 224(b) of the Energy Policy Act of 2005. The repeal of section 224(b) will permanently discontinue payments to counties and restore the disposition of Federal geothermal leasing revenues to the historical formula of 50 percent to the States and 50 percent to the Treasury. This results in savings of \$4 million in 2014 and \$48 million over 10 years.

*Federal Land Transaction Facilitation Act.*—The Department proposes to reauthorize this act that expired on July 25, 2011, and allow Federal lands identified as suitable for disposal in recent land use plans to be sold using this authority. The sales revenues would continue to fund the acquisition of environmentally sensitive lands and administrative costs associated with conducting the sales.

*Federal Migratory Bird Hunting and Conservation Stamps.*—Federal Migratory Bird Hunting and Conservation Stamps, commonly known as Duck Stamps, were originally created in 1934 as the annual Federal license required for hunting migratory waterfowl. Today, 98 percent of the receipts generated from the sale of these \$15 stamps are used to acquire important migratory bird areas for migration, breeding, and wintering. The price of the Duck Stamp has not increased since 1991. The Department proposes legislation to increase these fees to \$25 per stamp per year, beginning in 2014.

*Bureau of Land Management Foundation.*—The budget proposes legislation to establish a congressionally chartered National BLM Foundation. This Foundation will provide an opportunity to leverage private funding to support public lands, achieve shared outcomes, and focus public support on the BLM mission.

*Recreation Fee Program.*—The Department of the Interior proposes to permanently authorize the Federal Lands Recreation Enhancement Act, which expires in December 2014. The Department currently collects over \$200 million in recreation fees annually under this authority and uses them to enhance the visitor experience at Interior facilities. In addition, the Department will propose a general provision in the 2014 budget request to amend appropriations language to extend the authority through 2015.

## OFFSETTING COLLECTIONS AND FEES

The budget includes the following proposals to collect or increase various fees, so industry shares some of the cost of Federal permitting and regulatory oversight.

*Fee Increase for Offshore Oil and Gas Inspections.*—Through appropriations language, the Department proposes inspection fees totaling \$65 million in 2014 for offshore oil and gas drilling facilities subject to inspection by the Bureau of Safety and Environmental Enforcement. These fees will support BSEE's expanded inspection program to increase production accountability, human safety, and environmental protection.

*New Fee for Onshore Oil and Gas Inspections.*—Through appropriations language, the Department proposes to implement an inspection fee in 2014 for onshore oil and gas activities subject to inspection by BLM. The proposed inspection fee is expected to generate \$48 million in 2014, \$10 million more than the corresponding \$38 million reduction in requested appropriations for BLM, thereby expanding the capacity of BLM's oil and gas inspection program. The fee is similar to those already in place for offshore operations and will support Federal efforts to increase production accountability, human safety, and environmental protection.

*Onshore Oil and Gas Drilling Permit Fee.*—The 2014 budget proposes to continue a fee for processing drilling permits through appropriations language, an approach taken by Congress in the 2009 and subsequent Interior Appropriations Acts. A fee of \$6,500 per drilling permit was authorized in 2010, and if continued, will generate an estimated \$32.5 million in offsetting collections in 2014.

*Surface Mining and Reclamation Permit Fee.*—The 2014 budget continues an offsetting collection initiated in 2012, allowing the Office of Surface Mining Reclamation and Enforcement, to retain coal mine permit application and renewal fees for the work performed as a service to the coal industry. The fee will help ensure the efficient processing, review, and enforcement of the permits issued, while recovering some of the regulatory operating costs from the industry benefitting from this service. The fee, authorized by section 507 of SMCRA, will apply to mining permits on lands where regulatory jurisdiction has not been delegated to the States. The permit fee will generate \$2.4 million in offsetting collections in 2014.

*Grazing Administrative Fee.*—The 2014 budget proposes a new grazing administrative fee of \$1 per animal unit month. The BLM proposes to implement this fee through appropriations language on a 3-year pilot basis. The 2014 budget estimates the fee will generate \$6.5 million in 2014, which will assist BLM in processing grazing permits. During the period of the pilot, BLM will work through the process of promulgating regulations for the continuation of the grazing fee as a cost recovery fee after the pilot expires.

*Marine Minerals Administrative Fee.*—The 2014 budget proposes to establish an offsetting fee in the BOEM Marine Minerals program to recover costs associated with processing offshore sand and gravel mining permits. The fees are estimated to generate \$470,000 in revenue in 2014, to offset the cost of the program, and would be implemented through existing regulatory authority under the Outer Continental Shelf Lands Act.

## CONCLUSION

Thank you for the opportunity to testify on the President's 2014 budget request for the Department of the Interior. This budget balances fiscal constraint with proposals for forward looking investments that will advance the stewardship of lands and resources, renewable energy, oil and gas development and reforms, water conservation, youth employment and engagement, and improvements in the quality of life in Indian communities. For America to be at its best, we need to be bold and strategic and advance the ideas and policies in this budget. I thank you again for your continued support of the Department's mission. I look forward to answering questions about this budget. This concludes my written statement.

## HURRICANE SANDY

Senator REED. Thank you very much, Madam Secretary, for your testimony.

As I said, there will be 6-minute rounds. And if our schedule and your schedule allow, we'd be happy to do a second round also to accommodate as many questions as possible. But let me begin on the note that you concluded with, that is, Hurricane Sandy. Thank you. There were \$829 million to the Department for mitigation in

the Northeast because of the storm. It is gratifying to hear that Rhode Island's wildlife refuges will receive support in this way.

Can you give us some further indication of how you will make all the details accessible to the public this afternoon and the next few days, and also talk about the \$360 million in mitigation funds that you have at your disposal? Have you made any plans, specific plans, and will you announce those?

Secretary JEWELL. I'll give you a high-level answer and then would invite my colleagues to provide more detail as they have more detail.

The press release which will be going out this afternoon will actually have a link to a list of the projects that encompass the \$475 million. That will be accessible to the public here relatively soon.

On the mitigation funds, there is a lot of work done to look at building up sand and berms, actually using sand from the Outer Continental Shelf to make those habitats more resilient, and a number of other programs. I'd like my colleague, Rhea Suh, to address that further.

Ms. SUH. Sure. Thank you, Mr. Chairman. On your first question, the details of the funding to be released today will all be contained on our website, so complete project lists alongside the actual amount of appropriations for each.

In addition to that, with respect to the mitigation, we are working very hard to come up with the best strategy we can for those mitigation funds. We absolutely appreciate your leadership and the leadership of this subcommittee for giving us the opportunity to really think about mitigation, and to really try to maximize the impact we have to create resiliency on the ground. We are working with both our programs within the Federal Government, but also partners outside of the Federal Government to come up with a strategic plan that can ensure those funds are spent as wisely and as effectively as possible.

Senator REED. And you're not ready today to commit those funds? You're still working the plan?

Ms. SUH. That's correct. The funds today are just the recovery and restoration funds.

Senator REED. Thank you very much.

#### HERITAGE AREAS

Madam Secretary, among the many public services that you performed was in 2008 and 2009, along with our distinguished predecessors, Senator Howard Baker and Bennett Johnston, you served on a commission advancing the national park idea. And one of the things you recognized was these heritage areas, one of which we have in Rhode Island, are critical, in fact, long-term assets to the National Park System. And you and your colleague went so far as recommending permanent funding and full program support for NPS.

Yet the budget proposes cuts to these heritage areas. Can you give us some assurance that you will work with us so that we can avoid these cuts and fulfill the vision that you so eloquently and wisely laid out, along with Senator Baker and our colleagues?

Secretary JEWELL. Thank you, Mr. Chairman. This budget represents tough choices. The work of the Second Century Commission

was very rewarding. I think the need to support our national parks, which have such a multiplier effect, is very important.

On the heritage areas, specifically, I'm fully in support of heritage areas. There was a difficult decision made to scale back the funding in heritage areas to focus on those that are relatively new that need to get a boost to get themselves established.

I think one of the benefits of heritage areas is they have broad community support. It does reflect some of the hard choices we made in terms of how we prioritized. We felt heritage areas in particular needed some support to get rolling and get up and operational, but we needed to look at scaling back some that had been around for a period of time to kind of walk on their own two feet, if you will. So that was how the priority was identified in this budget.

Senator REED. Well, I appreciate that. And I do point out they are public-private partnerships. So this is not something that's just Federal money going in. This generates a lot of economic activity. It's very critical.

And there is, I think, a shared notion that we can collaborate better and be smarter about these things. But there are certain—it strikes me and many of my colleagues, because these are all over the country, that there has to be at least a core Federal support level because that is what pulls a lot of the private support. It sort of leverages a lot of activities. And without that, these heritage areas could in fact fail. That would be, as you point out in your previous report, a real detriment.

#### RHODE ISLAND NATIONAL PARK

Let me quickly, as my time is running out, we've been trying to build on the heritage area to, in fact, create a national park which would not only memorialize Senator John H. Chafee, but also give us our first major national park. We have a national memorial, the Roger Williams Memorial. But it would give us our first national park.

Secretary Salazar was strongly supportive. And I urge you to be as enthusiastic. Can you give us a sense of your enthusiasm level? I hope it's over the top.

Secretary JEWELL. I'm enthusiastic, Mr. Chairman. I'm fully enthusiastic.

Senator REED. Madam Secretary, the President chose wisely. I said that repeatedly.

Let me suggest, I will now relinquish my time to Senator Murkowski. And as I said, we will try to do a second round.

Senator Murkowski.

Senator MURKOWSKI. Thank you, Mr. Chairman.

#### ALASKA CONVEYANCE

Madam Secretary, let me ask you about the land conveyance issues and legacy wells. As you can tell, not only from my discussion here today, but previous conversations we've had, this is something that isn't setting well with the people in the State of Alaska, and it clearly doesn't set well with me.

You have indicated in your comments that, with the LWCF, the proposal here to include it in terms of mandatory funding keeps a

commitment of a 50-year promise to the American people. And I'm looking at a 54-year-old promise, we've been a State now for 54 years, where we have yet to receive our full land conveyances under that statehood act, a 42-year legal obligation to the native people of the State under Alaska Native Claims Settlement Act (ANCSA).

And then I look at the budget, and it's like, "Well, wait a minute. We're making a new promise here to mandatory funding for the LWCF. But we've got some outstanding obligations that are very serious." And so I appreciate what you have said in that these decisions were made prior to your arrival here. You're defending a budget that you're tasked to defend.

But I need to have some assurance going forward that we're going to be able to deal with this. Because my assessment is that if we continue at the level of funding that we have been for the land conveyances, again we're decades, we're another 50 years out. That's not acceptable.

Can you give me some assurance that you will look to revising the spending priorities and attempt to finish these interim conveyances and the surveying and patenting that needs to go forward? My goal was that we would have this done by statehood. When I came into office 10 years ago, everybody thought that that was reasonable. Now it looks like it's not only another decade, it may be a decade beyond that.

I need to have some assurance that we're going to finish this, because in the meantime, the people of the State of Alaska and the native people under ANCSA can't move. They can't move on their lands. What assurances can you give me that we're going to see some forward motion in this in a positive way that's not going to be another two to three decades from now?

Secretary JEWELL. Thank you, Ranking Member Murkowski. I have had briefings on this topic and can reassure you there is a commitment to move forward on the part of the BLM and my colleagues.

I gather that 63 percent of the area has been surveyed and mapped and about 33 percent has had interim conveyances so far. There is a requirement, as I understand it, in the legislation about actually physically putting a stake every 2 miles. The use of mapping technologies, which weren't available at the time those things were written, gives us an opportunity to be able to move forward in a more expeditious way on conveyances and do it using technology that's a lot more efficient and effective.

I would be happy to get into more detail with you and have my teammates that are steeped in this talk with you about how the budget supports moving that forward.

Senator MURKOWSKI. Well, and I'm going to be meeting later today to review the schedule, apparently, that has been proposed. I don't know whether or not that is a schedule that you all have agreed to. But we need to have greater assurance here.

#### ALASKA LEGACY WELLS

Let me ask you on the legacy wells. The concern that I have is, you know, Federal Government comes in, does an assessment, drills, leaves, doesn't clean up the mess. Decades later says, when



we are screaming about, "You need to clean up your mess," the idea is, "Well, the State of Alaska can do that. We'll take it from the State of Alaska's funding."

I guess the simple question is whether or not you feel that the State should be held financially responsible for the Federal Government's responsibility to take care of the legacy wells.

Secretary JEWELL. Senator, as we discussed, legacy wells are a significant problem, and I appreciate your bringing it up to me in the past. We need to find a way to fund it in a budget that doesn't have enough funding for everything we want to do. I appreciate the reaction to the suggestion that the revenues generated from the development on the NPRA on the State side go to pay for that. If not that suggestion, we need to work together to figure out how we prioritize in the budget the best way to move forward in a comprehensive way to deal with this issue. I share your concern.

Senator MURKOWSKI. Well, I guess I need to hear from you that you would agree that it's not the State of Alaska's responsibility to clean up the Federal Government's mess. Are we in agreement there?

Secretary JEWELL. I would say that the wells were drilled to assess the petroleum reserve up in Alaska, and as it's developed, it will benefit both the Federal Government and the State. So revenues from that development seem to be a reasonable source to help address the issue on the legacy wells. We can talk further on what that looks like: What is State, what is Federal, and how do we do that in a constrained budget environment?

Senator MURKOWSKI. Well, and I will allow you greater opportunity to learn more about this, hopefully see what we're dealing with here. But there is no doubt in my mind but that when the Federal Government comes into land that has been federally designated, drills wells, walks away from it, leaves a mess, that that is the Federal Government's responsibility and that it should not then be on the shoulders of the State of Alaska to do that cleanup.

So I just want to make sure that when you're talking about prioritizing it within the budget, that it is prioritizing within the Federal budget and not taking revenues that would have otherwise come to the State.

Thank you, Mr. Chairman.

Senator REED. Thank you, Senator Murkowski. And again, we are using the early bird rule, going from side to side.

Senator Tester.

Senator TESTER. Yes, thank you, Mr. Chairman. I want to thank everybody for being here today. It's good to see you, and thank you for putting yourself up for this position. I know you're going to do a great job. Rhea and Pam, thank you for your service. David Hayes, thank you for what you've done during your tenure in the Department of the Interior. I very much appreciate it. I even more appreciate your friendship. So, thank you, thank you very, very much for your service.

#### RENEWABLE ENERGY

As far as the budget goes, I would just like to say I'm very encouraged to see the administration is putting some additional funding into renewable energy on public lands. We all know what's

going on in eastern Montana and in North Dakota with conventional oil production, and it is—that's a very good thing. But we cannot forget about other ways to become energy independent, too. So I want to thank you for that.

I've got a bipartisan bill that I've introduced, the Public Lands Renewable Energy Development Act, to hopefully promote more such development. And I look forward to working with your department on that. Is there anything else we can do?

Secretary JEWELL. Senator, your support is very much appreciated and valued. I think, in a balanced approach to energy, renewables play an important role. I've been really pleased to see the science behind the assessment of where the resources are, the work going on collectively on transmission, which is also important, because where the energy is, is not necessarily where the energy is used.

Senator TESTER. That's right.

Secretary JEWELL. I hear a lot of enthusiasm in the Department to continue doing that work, but also supporting conventional development, as you referenced.

Senator TESTER. As we move forth here, if there are other things we can do to help facilitate that, let us know. I think it's really important. I think your budget puts it forth as a priority, and hopefully, we can indeed make it that.

#### WILDLAND FIRE

I want to talk a little bit about wildfires. And I know when we talk about wildfires, everybody talks about the forest service, which isn't in your area. But BLM is. And very similarly, BLM has forested land, they have range land, and they're being impacted by wildfires, too.

Given our current fiscal situation where a lot of the money is being diverted toward fighting fires, I understand the forest service is beginning to work out and collect data on the effectiveness of their firefighting efforts by certain aircraft.

I do not believe the BLM has started on this. And that's okay, from my perspective. I don't know if they can use information that comes from the USFS work or not. But I need to know what your plans are. We've got a lot of public lands. A lot of it, more than 1 million acres burned up in Montana alone last year, BLM and USFS. What's your plans? Is it to collect what the forest service gets? Or is the BLM going to do their own thing? And if that's the case, when is that going to happen? Or is it going to be a combination of the two?

Secretary JEWELL. Thank you, Senator. As a Westerner myself, I certainly am well aware of the impacts of wildfires, and we've certainly got fires right now, a wildfire burning in California, and it's only May. It's pretty scary.

The firefighting is coordinated between the Departments of Agriculture and the Interior. Agriculture takes the primary position, but we work hand in hand. I will be going out with Secretary Vilsack to the fire center in Boise, Idaho, to talk specifically about this.

As I mentioned, of the increase to the budget, 40 percent is to fight wildland fires and it cuts back the hazardous fuels reduction program, just to make sure we had funds available for suppression.

Senator TESTER. Yes.

Secretary JEWELL. I think things you could do to help over time are for those spikes in fires, to have that funded out of emergency money, because it hits the operations and it's very, very difficult to manage, for both Department of Agriculture and the Interior.

Senator TESTER. Well, fuel reduction is critically important. We can talk about that at another time, and I'm sure we will.

I guess the issue is, I mean, you addressed it in your opening, we're in tight money times.

Secretary JEWELL. Yes.

#### FIREFIGHTING AIRCRAFT

Senator TESTER. Is the assessment that's being done by USFS on which aircraft are most effective to fight the fires, is BLM doing the same thing? Are they going to do the same thing? Or are they just going to use USFS numbers?

Secretary JEWELL. I'm going to have to defer to Rhea on that.

Senator TESTER. Okay.

Ms. SUH. Senator, we are working hand-in-hand with the Forest Service. As you know, we have a cohesive strategy across the Federal Government on aircraft in particular. The Forest Service has the lead on large air tankers.

Senator TESTER. Sure. Yes, that's correct.

Ms. SUH. We have been working very collaboratively with them to come up with a strategy that can put large air tankers on the ground for fires this season.

When it comes to smaller aircraft tankers, we have the lead and we have been working, again, collaboratively with the Forest Service to determine effectiveness and efficiency throughout all of the aviation we have.

Senator TESTER. Okay, good. Well, I would just encourage you to do that. I think "effectiveness" is the key word here, and "efficiency". We need to make sure that we're hiring the right groups to fight the right fires with the right equipment, okay? So thank you very much for that.

#### SEQUESTRATION IN INDIAN COUNTRY

I want to talk about Indian country for just a second. Sequestration has negative impacted them in a big, big way. And the main reason is because they are under funded to begin with. And that's the problem with the sequester, and we all know that, sitting around this dias, that when you make across-the-board cuts, the programs that are fat and sassy don't really care, and the ones that are cut to the bone really get whacked. And hopefully, we can find the solution to this.

But in any case, the Indians, American Indians are, I think, least equipped to absorb this loss. And could you detail specifically or in general how your budget will help either restore that money or mediate the potential impacts of the sequester?

Secretary JEWELL. Senator, I get a relatively short period of time to answer. I would say, we are as frustrated and worried about the

impacts of the sequester. There's no question in Indian country we've got needs that far exceed the ability to meet them. We're trying to prioritize.

On Indian education, we're trying to pick model schools to work on to try and find a path forward. Law enforcement, domestic violence issues, self-determination, working with tribes on a Government-to-government basis to help support their ability to determine the ways they want to govern themselves. These are all topics of critical discussion.

I know there's not enough money to go around, but we're certainly working with tribes to do the best job we can.

David, do you want to add anything to that?

Mr. HAYES. I would just say, Senator, we feel this hurt very hard because of the indiscriminate way in which the cuts have to occur. Many of the tribes that operate under 638 grants, the self-determination tribes, are particularly hurt because they're getting effectively a 9-percent cut for the remainder of the year. There's nothing we can do about it.

Our BIA folks who work with them, likewise, are feeling that cut. We're having to furlough BIA staff. Tribes are having to furlough folks. That's why our fiscal year 2014 budget is so important. It would restore and increase and get us back to where we need to be with the tribes.

Senator TESTER. Well, that's what I wanted to hear. And so, thank you, thank you, thank you for that. And I'm sure there will be further debate on that.

If I might, just 15 seconds, Mr. Chairman.

You talked about Asian carp. And it's too bad the ranking member isn't here. And you talked about the impacts it's going to have as it heads toward the Great Lakes, and it's negative. I hope other folks are paying attention to things like genetically modified organisms (GMO) salmon and noxious weeds versus GMO crops. Thank you very much.

Senator REED. Thank you, Senator Tester. Before I recognize Senator Blunt, let me review the order of arrival just to give people sort of sense of where we are. On the Democratic side, Senator Feinstein, Senator Udall, Senator Merkley. On the Republican side, Senator Blunt, Senator Johanns, Senator Alexander, and Senator Hoeven.

Senator Blunt.

Senator BLUNT. Thank you, Chairman. Secretary, welcome to the subcommittee. I've always thought that your job may be the best job in the Federal Government. I hope for your sake I'm right. It's a challenging job with great opportunities.

#### ST. LOUIS ARCH

We haven't had a chance to visit yet, so I'm going to actually spend my time talking to you a little bit about a big project in Missouri, the Arch project. A lot of cooperative effort has gone into that so far. Your predecessor, Mr. Salazar, was there three times, two times there with Mr. LaHood, who was there in relation to a TIGER grant.

I don't know if you're familiar with how the Arch sits, but it's separated from the rest of sort of the downtown mall by Interstate

70. The TIGER grant seems to be in place that will actually connect the park to the rest, to the old Federal courthouse where the *Dred Scott* case was and a lot of other public land in town that's not necessarily Federal land.

This, I'm told, maybe has the potential, already is possibly, the biggest joint partnership project that the Park Service has ever done. The city just voted a \$10 million annual tax for the next 20 years that would support this project. I think there are \$220 million of private funds that have already been pledged.

And the Arch is 50 years old in October 2015. So, you know, every 50 years, you've got to look at these things and see what needs to be done to be sure they can last another 50 years. And that 50th anniversary was one that Secretary Salazar mentioned, it's October 2015. I think his comment the last time he was there was, he would move heaven and Earth to get this done by October 28, 2015, which appears it might be easier to move heaven and Earth than the Department.

So right now, there does seem to be a tendency for delay that I'd like you to look at. You don't have to necessarily comment on it today. These things are getting siloed again. The one big request from Mayor Slay and others in St. Louis is if you could put somebody in charge of this, one person that really tries to be sure that all of this stays on focus, on time, that the private and public elements of this that aren't Federal continue to move forward in a way that all works.

I know there's one contract with Bi-State transportation that's run the trams in the Arch since the beginning. And that contract runs out, it actually expired December 31, 2012. There was a 6-month extension that expires in 54 days, and it needs some attention pretty quickly.

They need the contract for bonding and other purposes to update the equipment that I think Bi-State does, I don't think we, the Federal Government, even does that, but they have to have a contract that allows them to do what they need to do. And I think the Park Service has come in with some amendments that have never been in the contract before that they're concerned about.

So, I guess one thing I'd like to ask you to do is make a commitment to come and visit us at the Arch and get personally involved in this project, as your predecessor was. And then any comments you want to make about how public park-private relationships are going to be viewed by your department and by the Park Service would be appreciated.

Secretary JEWELL. Thank you, Senator. I do look forward to meeting with you directly and also visiting the Arch. I certainly would be delighted to do that.

There is a point of contact, Peggy O'Dell, who is the number two person in NPS. You can look to her as the focal point on this.

Senator BLUNT. Okay.

Secretary JEWELL. And I was briefed on it. I can't promise the heaven-and-Earth thing. I think that may be beyond my pay grade.

Senator BLUNT. Well, the guy that did promise that left. So maybe it was a bigger promise than he thought.

Secretary JEWELL. Yes, maybe. To your comment about public-private partnerships, and I think the St. Louis Arch is a great ex-

ample, from the private side, which is where I've been for my 35-year career. There's no question the ability of private enterprise to work closely with our Federal land management agencies, whether it's the Park Service or the USFS, other elements of Interior, is really important. To leverage our resources, to get buy-in from those communities so you have an asset like the St. Louis Arch that's not just a national treasure, but it is locally embraced and taken care of, helps make our Federal dollars go further.

I think it's a great illustration of public-private partnerships in action, and I think there are going to be many more opportunities to do that kind of work as we think about these assets we care a lot about, and we want to protect. There are examples of them in other States as well.

Senator BLUNT. You know, this is a case, too, where there is significant adjacent public property that obviously is visually part of this whole experience.

Secretary JEWELL. Right.

Senator BLUNT. And I think the Park Service, if you're going to encourage partners, both public partners and private partners, the Park Service has to be willing to look at this in a different way than they have before. You know, if the Park Service continues like, "Well, we can't let this happen unless it's something we totally control", that's not really a public-private partnership. It's something, but it's not a public-private partnership.

So, yes, I think one of the things as the new leader of Interior you can help instill is how partnerships really work.

Secretary JEWELL. Right.

Senator BLUNT. And it's not just one side giving you all their money and saying, "Do whatever you think you ought to do with this." And so, you know, the community has made a huge commitment; individuals are making a huge commitment. And I'd like for you and I to be able to work together to make this a model project of what these partnerships can be, moving forward.

Not every time a community comes up with \$200 million or private individuals match that with another \$220 million. And we need to do the kinds of things that will be a good lesson, going forward, to encourage that. And I'll do everything I can to help you make that work.

Secretary JEWELL. Sounds great, Senator. If I could just have 5 seconds.

Senator REED. Yes, ma'am.

Secretary JEWELL. The National Parks Second Century Commission that Chairman Reed mentioned in his opening comments talked a lot about public-private partnerships. I can tell you in my conversations with Director Jarvis of the NPS, he's very supportive of this, and I think increasing flexibility on how we recognize these kinds of partnerships and encourage them, going forward. Thank you.

Senator BLUNT. Thank you, Madam Secretary.

Senator REED. Thank you.

Senator FEINSTEIN. Thank you very much, Mr. Chairman. Madam Secretary, I want to add my words of welcome to my colleagues'. I've had an opportunity to meet with you, and I look forward to working with you.

But I would like to begin by thanking the gentleman on your right. I have known David Hayes now for the 20 years I've been, just about, in the Senate. It began with his negotiation of the Quantification Settlement Agreement, which weaned California off of a lot of Colorado River water and was a very controversial, but I think good negotiation that you conducted.

And since those times, Mr. Hayes has been the point person for the most contentious issue in California, which is water. And he's been really quite wonderful in terms of moving to see that the Department anticipates problems and moves administratively to solve them. And I'm very, very grateful for that. He's going on to teach law at both of our alma mater, Stanford, and serve, I gather, the Hewlett Foundation.

And, David, I just want to wish you all good things, a following sea. You have been just terrific, and your service to the country has been remarkable. So I want to thank you for that.

#### WILDLAND FIRE

Madam Secretary, I would like to associate myself with the comments of Senator Tester. You mentioned the Ventura fire. There have also been five other wildfires burning at the same time. And we anticipate a very bad year. Wildfire usually hits California in the fall. But the Santa Ana's were rolling, and it hit in the spring. And it's really going to be a problem.

So you're correct: Hazardous fuel mitigation is critical, the quick movement of planes, the ability to abate a fire. We had 2,200 lightning strikes on one day, which started 1,000 small fires. So the ability to address them quickly is really important before they rage out of control because of, candidly, overgrowth that has been allowed to be unabated. That's the first thing.

#### CALIFORNIA WATER

The second this is you are about to get a baptism of water. And it's the absence of water. The primary source of California's water is the Sierra Nevada snow pack, which is drying up. As of May 2, the Sierra Nevada was at 17 percent of normal. California is the largest agriculture State in the Union. The allocation for farmers is 20 percent of their contract amount. It takes 40 to 45 percent of a contract amount to be able to plant and do everything that's required to farm in California.

In 2010 when this happened, the unemployment rate in Mendota, a farm town, was 40 percent. Farmers were in bread lines. We cannot let that happen again. And I think much to the credit of your reclamation department, on April 15, the mid-region put out a press release detailing administrative actions that have been taken to date to create an additional 110,000 acre-feet of water.

David, I want to salute you for that, and Madam Secretary, this is what we had hoped that the Department will anticipate and move to do those things with respect to water transfers north-south, east-west, using the inner tie, using groundwater banking, doing whatever we need to do that is prudent and wise to see that water is adequate.

Beyond this 110,000 acre-feet, I am very interested in what other actions can be taken. And this press release describes banked groundwater 20,000 acre-feet and water transfers of up to 166,620 acre-feet as two sources for additional supplies. Essentially, I would like to ask you—I don't know whether you know, but if you do, I'd like to know—what is the status of reclamation's efforts to secure these additional supplies?

Secretary JEWELL. Senator, I'm going to take a glancing blow and then turn it over to my colleague to the right. First, I want to say that David Hayes has been an amazing resource on these issues. You're fortunate that his big brain is going to California. I'm going to miss his big brain next to me, but I will have all of his phone numbers and will use them liberally.

Senator FEINSTEIN. Good.

Secretary JEWELL. I will turn to David to answer specifically on the sources topic with the Bureau of Reclamation. I know I've had briefings from Mike Connor directly, and this is a very, very important issue. David was meeting with the Governor, actually, earlier this week, and was actually flown in on the red-eye. So if he starts to nod off, I'll give him a jab.

Senator FEINSTEIN. Good. Good.

Secretary JEWELL. The other thing I think we all need to work on is conservation. How do we use the water resources we have more wisely? Because we are, in fact, seeing these low-water drought years, and that's the biggest source of the challenge. But, David, do you want to add to that?

Mr. HAYES. Thank you, Senator. Thank you for your warm words. It's been a pleasure working with you.

Senator FEINSTEIN. Thank you.

Mr. HAYES. This is the driest January-through-April period in California's history in the last 100 years, right now, 70 percent of normal for snow pack. As you noted, we have been anticipating this. We are up to the 20-percent allocation for south of Delta because of that 110,000 acre-foot increase due to water banking, water transfers, et cetera.

In addition, you mentioned the additional 20,000 acre-feet of water banking and water transfers. We are anticipating working with the contractors that will have 160,000 acre-feet of water transfers, and we're also working closely with them to allow liberal rescheduling of water, which will be about 225,000 acre-feet of water.

All told, if we are successful in all of these ventures, despite the dry water year, Senator, we are hoping to get to about a 35 or even 40 percent equivalent amount for the south of Delta folks. It's taking all hands on deck. We really appreciate the work Westlands and other south of Delta irrigators are putting into this, working closely with us.

Mike Connor is in California as we speak on these issues. I was with the Governor yesterday. We're looking forward to briefing you as soon as Mike gets back to talk about the Bay Delta Conservation Plan, which is the long-term fix for this problem that we have to solve.



Senator FEINSTEIN. Thank you. And Mike Connor is appearing before the Energy and Water Development Subcommittee tomorrow.

Mr. HAYES. That's right.

Senator FEINSTEIN. And we have a number of questions for him.

Just one last thing. Madam Secretary, you are going to receive a letter from five Members of the House, they're bipartisan, and me, to ask if you would be willing to come to the Central Valley and talk with farmers and understand the crisis that we have year after year.

One last point. For 10 years, your Department has been looking at feasibility studies for cost effect of dam raises in California. And we have not yet had finality to those feasibility studies. I would say that that's a matter of the highest priority to get resolved. Because unless we're able to hold water from the wet years for the dry years, California will end up as a desert State. I really believe that. And it will kill agriculture.

And you speak of conservation. Well, I come from a city that's conserving water like mad. And, you know, they're going to tertiary treatment of water in Coachella in southern California. So that is being done to the greatest extent possible. But you have to have some water to start with. So we really need your help.

Thank you, Mr. Chairman.

Senator REED. Thank you, Senator Feinstein.

Senator JOHANNIS.

Senator JOHANNIS. Mr. Chairman, thank you. And, Madam Secretary, welcome. Glad to have you onboard.

#### SEQUESTRATION

Let me, if I might, shift focus, if I could, to a couple of questions about the sequester. I have a little bit of a unique experience here because I was a member of the Cabinet, as you probably know, during the Bush administration, the Secretary of Agriculture. And I certainly appreciate the fact that the sheet of music you sing from comes from an office that's oval in this town, if you know what I'm saying. And every Cabinet member has talked about the sequester kind of in the same terms you have talked about it in your testimony. And I must admit it's got an aura of "The sky is falling, the sky is falling."

Now, you're also talking to a former Governor, a former mayor, balanced budgets during good times and bad times. When times were good and the revenues were good, you could do some more things. When times were bad, for example, post-9/11, you just kind of had to deal with it.

When I came here in 2005 and somebody said to me, "You could get somewhere around a 5-percent cut, and the best you can hope for us a flat budget," I thought, "Hallelujah! You know? This is a breeze." After what we had been through post-9/11 at the State level, that didn't seem to be too big a challenge. And yet, I hear Deputy Secretary Hayes, I hear you, I hear other Cabinet members talking about how dire this situation is.

So let me ask a couple of very specific questions. And either one of you can answer these questions. I appreciate the sequester's less-than-artful, across-the-board cuts tend to be less than artful.

And I've done it all. I've done across-the-board cuts, I've done focused cuts. Anything that was necessary to get the budget balanced, we did.

But if the Congress were to give your Department and other Departments greater flexibility to make judgments about where you would allocate resources from one area to another, would you find that to be helpful?

Secretary JEWELL. Thanks for the question. Short answer, absolutely we'd find that to be helpful. I am not quite 4 weeks into Government service, and north of 35 years as a private businessperson. I have certainly dealt with tough budget years, as you referenced. I have never, ever implemented those on a line-item by line-item basis. So when you see the comments that come from me and others about the impact of the sequester, it is the nature by which these cuts have been required of us.

The fiscal year 2014 budget reflects prioritization. It is cutting some areas. It is investing in other areas. And no question there is a desire to develop resources in this country, both conventional and renewable. It costs money to do that. But there is a return on that investment. We have a trust obligation to tribes across this country. We need money to do that.

We are reflecting in the fiscal year 2014 budget a set of priorities that are in fact scaling back some areas and growing others. And that's the big problem with the sequester.

Senator JOHANNNS. So your issue with us is more along the lines of, "Look. It's not the cuts so much as the forced way of implementing them. If we could get flexibility there, I could manage this budget," I think is what you're saying. And I suspect you could.

Secretary JEWELL. We would appreciate all flexibility that could be given to us, and predictability. A 5-percent cut that's implemented partway through the year is in fact a 9-percent cut. And then applied across every line item is very difficult.

#### AFFORDABLE CARE ACT

Senator JOHANNNS. Yes. Let me ask you another question, admittedly a more sensitive question, but I think it's an important one to ask. One of the things that came about as a result of the Affordable Care Act was that a certain select group of Federal employees were targeted to go from the Federal health plan into the exchanges. And that's the way the health care law was passed. And it's basically our staff. Congressional staff now will go to the exchanges. Some would argue that's a good thing, some would argue it's a bad thing, whatever.

Would you support an approach that basically said, "If it can save money, we'll take every Federal employee"—your employees at Interior and wherever else—"and instead of providing them that Federal plan, we will put them into the exchanges"? Would you support that?

Secretary JEWELL. Senator, I can speak from a perspective of a businessperson. In the business I ran right before coming here, we felt that it was important to provide our full-time employees with a comprehensive plan. For our part-time employees who had a limited plan, the exchange was going to be a better option. So I think I would need to look broadly at how it might be applied to the Fed-

eral Government. That's how we chose to do it in private industry. It was a blend of both, as you're suggesting was done here.

Senator JOHANNNS. So, no, my employees are full time. I don't think it had anything to do with them being part time. They are full-time employees. But for the fact that I'm not going to seek reelection, I'm certain that they're hoping for a long, long career here on Capitol Hill.

Secretary JEWELL. Yes. I'm not familiar with the circumstance. I'd have to look into that.

Senator JOHANNNS. Deputy Secretary Hayes, what's your sense of all that? Would you be comfortable in all Interior employees going to the exchange?

Mr. HAYES. Senator, I apologize, but I'm not an expert in this area. Obviously, the Department of Health and Human Services is implementing ACA. And I apologize, but I can't respond.

Senator JOHANNNS. Thank you, Mr. Chair.

Senator REED. Thank you, Senator Johannns.

Senator Udall.

Senator UDALL. Thank you, Mr. Chairman. And let me also join the whole group up here in just saying, first of all, agreeing and associating myself with the remarks about David Hayes. Madam Secretary, great to have you here, and thank you for coming in and meeting. And Rhea and Pam, thank you for your service to the department.

But, David, you've been a good friend of mine, and you've been an extraordinary friend of the West. And I think it's been echoed up here. You heard Senator Feinstein and the chairman and many others talk about it.

#### WATER

And I think one of the things that's been so key is that you have stayed focused on water. And water in the West, as you know, is very controversial. And when we have these 3 years of drought, in New Mexico it's up to 12 years, we have some very, very serious situations.

And you've been right on top of it by working on settlements and have achieved settlements where we're going to be able to stretch our water resources. So I very, very much appreciate that. And we're going to miss you a lot, and the Department is going to miss you. And your students are going to gain a lot from you out there at Stanford.

#### SEQUESTRATION IN INDIAN COUNTRY

Let me just briefly agree, Madam Secretary, with Senator Tester on the Indian country and Native Americans and what's happening on sequestration. And I'm encouraged to hear Deputy Secretary Hayes say this budget will restore those. I don't know why we ever got ourselves in this situation. When we created the sequester, we tried to protect the most vulnerable. And the most vulnerable population in America is the Native American population. And we didn't put them in that category. And so that's, it's a terrible tragedy, and they're really being hit hard now.

I think the only healthcare that wasn't exempted was the Indian Health Service. So I know it's not under your jurisdiction, but it seems like an important point to make here.

#### MINING LAW REFORM

I want to applaud the President and you for putting in the budget the 1872 mining law reform. I worked with Senator Murkowski and Senator Wyden on an amendment to the budget bill that brought 1872 mining law reform forward. I know what you're doing in the bill is proposing reform, including a new leasing program, with royalties, and an abandoned mine land fee to be used for reclamation of abandoned hard-rock mines throughout the country. And we very, very much appreciate that.

#### SEQUESTRATION AND MINERAL REVENUE PAYMENTS

As you know, the Mineral Leasing Act provides that all States shall be paid 50 percent of the revenues resulting from the leasing of mineral resources on Federal public domain lands within their borders. This revenue is vital to New Mexico, where it funds our public education system. New Mexico State leaders are very upset by the Department of the Interior's Office of Natural Resource Revenue (ONRR) determination that these State revenues are subject to sequestration. These are State revenues based on mineral development within State borders and are not Federal funds.

In New Mexico alone, we expect to lose \$25 million in State mineral revenues in fiscal year 2012 to sequestration. I'm working with Senators from other mineral revenue-generating States to formulate legislation that would address this issue, but I hope that you can help resolve this administratively.

I understand that the decision to subject these State shares of revenues was made before your time, and so I hope it will get a fresh look from you. These State royalties are part of the bargain between Western States and the Federal Government, which owns so much land within our States. Altering that bargain risks increasing conflict between the State and the Federal Government.

Will you and your team review the Department's decision to consider States' shares of mineral royalties as subject to sequestration?

Secretary JEWELL. Senator, thanks for raising my awareness of this issue. I have a couple of notes here that my colleagues have been bringing me up to speed that it's not ONRR, but it's the Budget Control Act itself that governs this. It affects all revenues and payments. So I'm unclear as to what kind of jurisdiction we'd have over this.

Rhea or Pam, do you want to provide a little more detail?

Ms. HAZE. Senator, we actually made determinations based on BCA's evaluation of what things were exempt and were not. It is, unfortunately, consistent for revenue and payments, like secure rural schools, payments in lieu of taxes, and mineral revenue payments. The sequester does impact those. We have looked at it at least twice.

Senator UDALL. Well, these are State revenues. I mean, they are—what we're going to do in legislation is we're going to look at making sure you don't even get your hands on them at all so that

we don't get in this kind of situation. So, you know, that's where we are on that.

#### WILDLAND FIRE

The last 2 years have seen the largest wildfires in New Mexico history. We're in a drought, and we're bracing for the worst year yet. And I applaud the President and your Department for making full funding of the 10-year suppression average a priority and for supporting full funding for the Collaborative Forest Landscape Restoration Program at \$40 million.

But I'm very concerned, however, that the President's fiscal year 2014 budget request for hazardous fuels reduction for the Office of Wildland Fire is reduced by \$88.9 million. This is a 48-percent cut for the program. And it just seems to me that this isn't the area to be cutting. What's the justification for this cut? And why are you doing this? Why are you headed in this direction on hazardous fuels reduction in the Department of the Interior?

Secretary JEWELL. Senator, I'll give a high-level answer, and my colleagues may be able to provide more detail.

There's no question that the sequester, where we run the risk of removing the fuels removal budget to go into suppression, is not the best way to operate our public lands. Removing the fuel to begin with so you don't have the degree of suppression makes all the sense in the world. The ounce of prevention worth a pound of cure argument, and we agree with that.

There are difficult decisions made in this budget. We don't have the capacity to go to emergency funds. When we do have wildfires that exceed the 10-year average, it impacts the overall operations of Interior. We've made difficult choices trying to balance what goes into suppression versus what goes into fuels reduction.

Rhea or David, do you want to add anymore to that? Is there more to add?

Ms. SUH. Senator, I certainly appreciate your concern. We recognize the deep importance of hazardous fuels reduction and the balance between the suppression and the prevention sides of our fire program. We are, as the Secretary noted, dealing with very difficult choices in the budget, and in particular, fire is perennially a very difficult thing for us to budget in whole. We are very committed to having the adequate funds for suppression, particularly as we move into very complex fire seasons, and we look forward to working with you to try to come up with long-term sustainability for the budget overall.

Senator UDALL. Thank you. Thank you.

Senator REED. Senator Alexander, please.

#### GREAT SMOKY MOUNTAINS NATIONAL PARK

Senator ALEXANDER. Thanks. Madam Secretary, welcome. Great Smoky Mountains National Park, where you've been and where you're well known and well appreciated, let me go over some figures here. The Great Smokies had nearly 10 million visitors in 2012, and they received \$19 million in Federal appropriations. Grand Canyon had 4.4 million visitors, half as many, and received \$21 million, \$2 million more, in Federal appropriations. Yosemite

had 3.8 million, that's less than one-half as many visitors as the Smokies, and received \$29 million in Federal appropriations.

Now, in the case of Grand Canyon, there were another \$14 million from entrance fees; in the case of Yosemite, another \$15 million from entrance fees. There's a great inequality here.

Taking the entrance fees first, the Great Smokies, as you well know, was given to the United States by the people of Tennessee and North Carolina and schoolchildren who collected dollars, all this in the 1930s. And one of the agreements was there wouldn't be an entrance fee. The Western parks were all carved out of land owned by the United States.

And so, the Smokies are already penalized because they don't get the \$14 million Grand Canyon gets and the \$15 million Yosemite gets in entrance fees. But why should the most visited national park, with twice as many visitors as these two great western parks, Grand Canyon and Yosemite, receive less appropriated funding every year than the Western parks?

Secretary JEWELL. Senator, I appreciate your question. I appreciate your park. I'm a lot closer to it, so I'll be spending a lot more time there than I have been able to in the past.

I will say that the fiscal year 2014 budget requests \$19 million for Great Smoky Mountains, which is about level with fiscal year 2012 funding. I think it's very difficult to compare. I appreciate the visitation for the park and the road that goes through and the number of people that come through and the entrance-fee issue. The management of the parks has to do with their acreage, with their threats. There are just a lot of factors that go into the budget. I think it's very difficult to say it's a function of the number of visitors versus, you know, a broader view of what all—

Senator ALEXANDER. But what I'd like to ask you to do is to review the formula you use for this. Because, number one, I think you ought to take into account the fact that the park can't, by law, collect an entrance fee. And so it loses \$14 million or \$15 million right there, which is, you know, 75 percent as much as the entire Federal appropriation. And then, second, for it also to be funded less than the Western parks at a time when it has a lot more visitors, the wear and tear on the parks is substantially a product of visitors.

You can't re-litigate the whole formula right here. But as you begin your study, I would hope that you would take a fresh look at that funding formula in light of what I think is the persistent under-funding of the Smokies.

I mean, we love the Grand Canyon. I've been down it. In fact, I went with Senator Udall's cousin. He took me down it 20 years ago. I'd like to go again. We love Yosemite. We want them to be properly funded. But we don't want our park to be—so will you take a look at that as part of your review of policies?

Secretary JEWELL. Absolutely. Yes, I'm happy to take a look at it and see if there's something we can do.

#### WHITE-NOSE SYNDROME IN BATS

Senator ALEXANDER. I have two other questions. One is, have you been asked about the bats, the white-nose syndrome, at all? Senator Leahy has talked about that before. If you hear a Senator

asking about bats, you may wonder, “Well, why is he talking about bats?” But it’s a big problem all through the Eastern United States. And it costs about \$74 per acre for the insects they don’t eat. I mean, the pest suppression is a big part of it. It’s a real concern in our area.

What’s the status of research that you’re working on to deal with white-nose syndrome?

Secretary JEWELL. Yes. I have been briefed on the white-nose syndrome. The budget for fiscal year 2014 does include increases in the USGS and the Fish and Wildlife Service budgets to address that. For example, USGS is working on long-term fixes like the vaccine to try and address it. FWS is addressing the resource issue, and there’s no question it’s a huge potential economic impact on agriculture. That is part of our science budget that we’re requesting for fiscal year 2014.

#### GREAT SMOKY MOUNTAINS NATIONAL PARK

Senator ALEXANDER. Thank you. On the question of funding, again back to the Smokies, one of the things we’re proudest of is our volunteers in the park. And you’re aware of that. That might be a good thing for you to visit there, it’s a good example for other parks, when you come. There are over 3,000 volunteers, and the estimated value of their service is \$3.5 million a year. Friends of the Smokies adds another million, but that still doesn’t make up for the funding loss.

[The information follows:]

#### GREAT SMOKY MOUNTAINS NATIONAL PARK

Operational funding for park units, such as Great Smoky Mountains National Park, is appropriated through the Operation of the National Park System (ONPS) account. This annual appropriation funds the day-to-day operations at all park units, commonly referred to as park base funding, as well as competitively awarded project funding for needs at parks such as facility repair or rehabilitation and resource stewardship needs. The ONPS account also funds the operations of regional offices and the Washington, DC headquarters office. In 2014, the President’s budget requests \$19.1 million for operations at Great Smoky Mountains National Park, level with 2012 funding.

Visitation is not the only cost driver for operational requirements; acreage, resource protection needs, and types of services available to visitors are some examples of factors that influence the cost to operate parks. Each year, the parks, regions, and headquarters identify new or expanding operational needs. Funding proposals submitted by park units are evaluated on a competitive, national basis. The highest priority activities are reflected in the President’s budget request.

However, the NPS, like other bureaus, must operate within the framework of constrained budgets. In 2014, the only park base operational increases proposed total \$6.7 million and are for start-up activities at recently authorized units and critical management needs such as combating invasive species. The budget also proposes \$18.4 million reduction to park base operations.

#### WIND ENERGY AND BONDING

Senator ALEXANDER. I have one other question that I’d like to ask you. There is obvious enthusiasm for renewable energy here and in the administration. And I’ve been puzzled by this obsession with building these gigantic, grotesque, you know, wind towers all over the scenic America. You know, most of our great environmental groups were founded by people who admired Ansel Adams’s photographs and loved the beautiful vistas. And then here we come along and turn whole stretches.

We destroy the environment in the name of saving the environment by putting these Cuisinarts in the sky that kill golden eagles and adopt an energy policy that is sort of the energy equivalent of going to war in sailboats. So that's my view on these giant windmills.

But my question is this. We have thousands of abandoned mines across the country that people mined and left. And now we are looking for money to clean those things up. What are we going to do when these windmills blow down or when they wear out after 20 years or when the big tax subsidies for the rich people that fund them run out? And we decide we don't want to spend \$12 billion a year subsidizing them, who's going to clean them up? There are thousands of them.

And my question is simple: Is there a bond that you require of developers of wind turbines on public lands so that if at any time they are abandoned by the developer, is there a bond that the developer has to put up to make sure that the landscape is returned to its former pristine beauty?

Secretary JEWELL. Senator, I'm going to have to defer to Deputy Secretary Hayes on that.

Mr. HAYES. Senator, I know there's a lease requirement for the owner to take down those turbines at the end of their useful life, much like we require for conventional oil and gas, and return the land to its previous condition.

I don't know if there's a bond requirement. We will look into it and get back to you.

[The information follows:]

#### WIND ENERGY AND BONDING

BLM requires bonds for all wind projects on its public lands. The bond is determined on a project-by-project basis to cover the reclamation costs for a project and the removal of improvements on the public land. However, the terms and conditions of a wind energy authorization require the holder of the right-of-way to remove all improvements. The bond is required to ensure compliance with the terms and conditions of the authorization and to cover BLM's expenses if an operator fails to fulfill the lease requirements.

Senator ALEXANDER. Does it require it or just allow it?

Mr. HAYES. It requires it. There is a requirement by the developer to take down—this is on public lands, obviously.

Senator ALEXANDER. Yes.

Mr. HAYES. To take down the turbines at the end of their useful life. But whether there's a specific bond requirement or not, I don't know right now. But we will get that information to you.

Senator ALEXANDER. Thanks, David. I'd appreciate it very much. And I'll add my compliments to your work here. Thank you, Mr. Chairman.

Senator REED. Thank you, sir. Thank you, Senator Alexander.  
Senator Merkley.

#### HAZARDOUS FUELS

Senator MERKLEY. Thank you, Mr. Chair. And thank you all very much. I wanted to start by echoing Senator Udall's comments in regard to the proposed reduction in funding for hazardous fuels reduction. We had this last summer in Oregon, the largest forest fires we've had in 100 years, including one forest fire the size of



Rhode Island. And largely, partly, the forest was dry, but the other big factor was the accumulation of fuels from fire suppression in the past, combined with the absence of forest management.

And it's kind of a very hazardous combination, those factors. And in page BH106 on the conversation on this, it notes, "The President's budget proposes reducing the program to \$96 million, a reduction of \$89 million"—I'm rounding it off—"from 2012." And it presents, and it puts it in kind of the silver lining, that "the program presents an opportunity to reevaluate and recalibrate the focus of hazardous fuels reduction to align and support the direction of the National Cohesive Wildland Fire Management Strategy."

I am doubtful that there's anything in that strategy which says that the accumulation of fuels is not a problem and that we should cut the funding by one-half. So I think this is probably just kind of nice language to dress up the fact that this didn't make the list of higher priority operation.

But I guess my question is, is there some type of fundamental insight that hazardous fuels reduction no longer merits the funding that it's had? And if so, I'd like to understand that.

Secretary JEWELL. Senator, I'll take a high-level crack at the question. Fuels reduction is very important in reducing the risk of wildland fires; no question about it. We have very difficult budget choices to make. This budget reflects a balance of what we expect to have to spend on suppression, based on the 10-year average. And putting some money aside, which has been removed, actually, in the sequester, putting it back in to reduce the fuel load.

There are ways we fight fires that would be much better put on the emergency funding side so we had a predictable annual way to continue to reduce the fuel load and fight the sort of normal fires without the spikes that inevitably occur in terms of how it impacts our funding. We made some hard choices. There's nothing I'm aware of or have been told that there's a relation.

Senator MERKLEY. Okay. Well, I appreciate the hard choices, and I just want to reiterate concern. A lot of our private landholders are very concerned about forest fires that are moving from public land onto their private land, their private range land, their private timberland. And a good share of the fires that occurred last year were on both public land leased, so it operates as an income generator for our ranchers, and also the private land, including private timber stands.

And when your private timber stand is burned up as a result of a fire that initiated on a poorly managed public tract, you can imagine how angry you become about that poor management. And that's my concern, that we need to do more, not less.

#### KLAMATH BASIN RESTORATION AGREEMENT

I wanted to turn to the Klamath Basin Restoration Agreement. This is an agreement that I discussed with you earlier that I just wanted to engage you on. This is an effort to address a significant area in southern Oregon, where you have a complicated set of rivers and dams and species, including a freshwater sucker fish and then the salmon, both of which have provisions to effect their survival that sometimes are in conflict with how much water stays in

the lake versus how much water goes into the river, and so on and so forth.

Stakeholders have been fighting over this water forever. They came together and forced the Klamath Basin Restoration Agreement. Your predecessor flew in to be there for the signing of this agreement. The Department worked very closely to try to support these concepts to turn what's been a lose-lose proposition into a win-win.

Nothing about this is simple. But I again wanted to raise your attention to it and ask for your help in trying to take this long-term water war and convert it into something that's more reliable for the irrigators, better for the fish, both the in-lake fish and then the downstream fish.

Secretary JEWELL. Senator, thanks for your support, and I am aware of how extensive, how important, how complex this is, and I absolutely look forward to working with you on it.

#### RESOURCE MANAGEMENT PLAN

Senator MERKLEY. Thank you, Madam Secretary. And then I wanted to turn to the issue of the O&C lands in Oregon, the Oregon and California Railroad grant lands. These lands have gone through various management plans, and there is a pending rewrite of the Resource Management Plans for six different districts.

And one of the concerns, just as the concern that, if you will, fire suppression or response will take away the funding for fuels reduction, the concern here is that the resources that are necessary to do these plans might come at the expense of the planning for timber cuts. These are lands that were dedicated for our counties to essentially have a timber supply to feed the local mills. And part of the revenues from the sales go to the local counties. And if the planning isn't done for the sale of the timber, then nothing happens. Nothing gets cut, nothing gets managed. We have second-growth forests that continue to be good for fires and disease, but not for either ecosystems or for timber sales.

And so, I wanted to raise this issue and ask whether the dedication of the effort on the Resource Management Plans is going to divert funds necessary to plan the sales on these lands.

Secretary JEWELL. I'll answer at a high level and then ask my colleagues here to chime in with more. What I've heard from the BLM is a commitment to provide a steady source of timber for the mills in Oregon. I know it's very critical to funding the Secure Rural Schools Program. I have not heard that the Resource Management Plan takes away from the ongoing commitment to provide a steady supply of timber.

My colleagues, would you like—Rhea?

Ms. SUH. Senator, we fully expect to meet our cut target of 197 board-feet that is expected in 2013.

Senator MERKLEY. Well, throw a million or something into there.

Ms. SUH. I'm sorry. 197?

Secretary JEWELL. Million.

Ms. SUH. 197 million; I'm sorry. What we were asking for in the budget is an additional \$1.7 million that will obviously go into the Resource Management Plans. We do not think these things are mu-

tually exclusive. We think both of them are equally important to the communities you represent.

Senator MERKLEY. Thank you. I appreciate that, and I'll just close by saying 2 weeks ago we lost the Rough & Ready mill, the last mill that we had in that particular county. And the owner of the mill said, and I believe I have this right, that it's like a person starving to death in a room full of food. That essentially that, because of the scarcity of the sales off the nearby timberland, they just couldn't get the logs to feed the mill.

In the small town of Cave Junction, this was 85 living-wage jobs, which of course, will affect that payroll being spent in Cave Junction, will affect every other retail operation in this mill town. And certainly, kind of that snapshot reflects the frustration and challenge of working out a sustainable timber supply strategy off these lands. Thank you.

Senator REED. Before I recognize Senator Hoeven, a vote has just started. I will depart to vote. I'll ask the vice chair, Senator Murkowski, to preside so that we can finish the first round. And we anticipate a second round.

Senator Hoeven, thank you.

#### RED RIVER VALLEY WATER SUPPLY PROJECT

Senator HOEVEN. Thank you, Mr. Chairman. Madam Secretary, good to see you again. Thank you for being here. A project that we had submitted for a record of decision some years ago, we're still waiting for a final record of decision, it's the Red River Valley Water Supply Project. Would you be willing to commit to me that we can get together and you could give us a final decision one way or the other on that record of decision?

Secretary JEWELL. Happy to meet with you on it and learn more about it.

Deputy Secretary, do you know the status of the record of decision?

Mr. HAYES. I do not, but we certainly will get back to you on that.

Senator HOEVEN. Yes. We need to get a decision from you. And so could we agree to schedule something, get together and get a frank discussion and a final decision?

Secretary JEWELL. Sure. Absolutely.

[The information follows:]

#### RED RIVER VALLEY WATER SUPPLY PROJECT

The Bureau of Reclamation and the State of North Dakota completed the Red River Valley Water Supply Project Final Environmental Impact Statement in 2007. The preferred alternative identified in the EIS would import water from the Missouri River basin for release into the Red River through the Garrison Diversion Unit water supply facilities. A report on the project was transmitted to Congress in 2008, consistent with the Dakota Water Resources Act of 2008, Public Law 106-554. A Record of Decision has not been signed and that decision has not been revisited.

The Dakota Water Resources Act requires that if the selected option includes the importation of Missouri River water, the project must be expressly authorized by Congress. No legislation has been enacted. We would be pleased to discuss the status of the Red River Valley Project further with the North Dakota delegation.

## SPIRIT LAKE NATION CHILD PROTECTIVE SERVICES

Senator HOEVEN. That would be great. Second, I want to thank you for your willingness to come visit us in North Dakota. I appreciate it very much. One of the stops that we've got to make is at the Spirit Lake Nation. And I think it's very important. There's a situation where the Bureau of Indian Affairs has taken over the Child Protective Services. Their problems on the reservations need to be addressed.

Your presence there, I think could be a big help in terms of making sure the job gets done and getting a good progress report. And I'd like your thoughts and, hopefully, a commitment from you to do that.

Secretary JEWELL. I'm very happy to work with your office on my visit to see how we can prioritize working that in with the other things that you'd like me to see in North Dakota.

## NORTH DAKOTA OIL RESERVE ASSESSMENT

Senator HOEVEN. Good. The third point is I want to thank you again for the USGS study that came out updating the recoverable oil reserves in North Dakota between double and triple, 7.4 billion to 11.4 billion barrels recoverable. The industry thinks it's going to be even higher than that. Natural gas, almost 7 trillion cubic feet.

Your study is very important because it's going to help us. We've got the oil companies in there, but we're growing so fast we need private investors and private developers in there building stores and housing and, you know, all of the different things that go with quality of life, restaurants, in addition to the public investment we're making in roads and bridges and water supply and all that.

So it's very helpful. I want to thank you for that. I worked with your predecessor, Secretary Salazar, very closely to get USGS to do that study. We thank you for it. It's going to have a real impact in terms of jobs and energy; tax revenues at local, State, Federal level without raising taxes; and of course, energy security, energy independence for our country. It's a great example of what we can do together.

## HYDRAULIC FRACTURING

So, now you're working on hydraulic fracturing. We can't produce oil and gas without hydraulic fracturing. So I need your commitment to work with us on that. That's one.

## OIL AND GAS PERMITTING

At the same time, we're working on permitting wells, for example, on BLM lands. Right now it takes 10 to 14 days to permit a well in our State, but it takes 270 days on BLM lands. We've got energy legislation in, our BLM Streamlining Act, which I think we got bipartisan support. I think you guys are onboard with it. We actually worked with some of your people to develop it.

The point is this: We need your help streamlining the regulatory burden. And that's one of the things we're going to show you. For example, we're going to show you hydraulic fracturing, that we're transparent and that we're open. We do it right, we do it well. But we create a lot of jobs and a lot of energy doing it right and well.

## HYDRAULIC FRACTURING

So, specifically, where are you at with the hydraulic fracturing rules? Are you going to work with the States to make sure they work? And can we continue this model of the BLM Streamlining Act, where we work together to streamline this regulatory burden? This is a win-win in a big way.

So I know that's kind of a long question. But it goes to a big point here and a real opportunity. And I'd love your response.

Secretary JEWELL. I'm happy to respond. And as I'm sure you recall from my confirmation hearing, I actually have fracked a well before.

Senator HOEVEN. Yes, I do.

Secretary JEWELL. Having been a petroleum engineer earlier in my career, I understand the process, I understand the risks, I understand the rewards. It's essential and has been for decades, in economically extracting the resource, it can be done safely and responsibly. I do understand that.

Fracking rules, we're very close to releasing them. So I've said that it's a matter of weeks, not months. So you won't have long to wait.

In terms of streamlining the regulatory burden, we agree, and the BLM agrees. Yesterday I had an opportunity to meet with the Western Energy Alliance, which is small operators from throughout the West. We talked about this.

I hate to keep bringing up sequestration, but we have a movement afoot to streamline and automate the process. When we do a line-item by line-item cut, it makes it difficult to do that because we don't have the flexibility on where we cut. People are necessary to process permit applications, and they are being scaled back. We're actually prioritizing authorizations for permits to drill, and our inspections over additional leases.

But the BLM is very committed to being more streamlined. There's some legislation that's had pilot offices that don't allow us to go beyond those pilot regions.

Senator HOEVEN. Exactly.

Secretary JEWELL. We're asking for a fix to that. I think the BLM is very much on the same page with you, Senator, in where we need to go to be responsive.

Senator HOEVEN. That's it. I mean, that's the legislation I'm talking about. We're going to get you authority so that you have flexibility to do some of these things. I think we can leverage your resources. We can do much more together even with, you know, the challenges of sequestration because, with some flexibility, we're going to bring you State and local resources, private resources in a way that will help us do these things.

It really just comes back to your willingness to engage with us and do it. And this is where your leadership, I think, can be critical and make a big difference.

Secretary JEWELL. Yes. Appreciate that.

Senator LEAHY. First off, Madam Secretary, congratulations being here. I was proud to vote for your confirmation. I think your diversity of experience is going to be very good for us.

You've heard from a lot of the western Senators up here, and I just want you know, as important as the Department of the Interior is to the West, we have some interest in Vermont, in the East. We take pride in our own stewardship. We appreciate the value the Department of the Interior brings to Vermont, to our two national wildlife refuges, two units of the National Park System, two national fish hatcheries. And I was glad when the Connecticut River and Vermont neighbor in the New England States become the first National Blueway. So these are all things that we're very interested in.

## SEA LAMPREY

Since 1998, FWS has led the effort to control parasitic sea lamprey in Lake Champlain in Vermont and New York. That's what this ugly-looking thing is, which attaches itself to fish, lake salmon, trout, and so on. It's critical to the restoration of native fish species in Lake Champlain. They have a devastating impact on the ecosystem if they're left unchecked.

The program to get rid of it has been a huge success. In 2011, your predecessor and former colleague, Ken Salazar, joined me in Vermont to say FWS was accepting full responsibility of the management of it. But they've yet to budget money for this work.

When will FWS bidding plan begin to honor your predecessor's commitment in 25 years of leadership by the Fish and Wildlife Service and put money in to eradicate sea lampreys in Lake Champlain, without sounding too parochial?

Secretary JEWELL. Well, it's a great illustration of the challenge we have in balancing the resources, particularly with invasive species.

Specific to the sea lamprey, I'm looking at Pam to see if she's got a number. She's scrambling to come up with a number.

Ms. HAZE. The fiscal year 2014 budget, sir, maintains FWS funding at the fiscal year 2012 level. It's at \$1 million. This supports FWS's efforts in Marquette, Ludington field stations in Michigan, and the Lake Champlain Fish and Wildlife Resource Office in Vermont.

Senator LEAHY. So how much is going to be budgeted for Vermont?

Ms. HAZE. I'm not sure. We can get you that information, sir.

Senator LEAHY. Could you get it this week?

Ms. HAZE. We can.

[The information follows:]

## SEA LAMPREY

The Department's efforts to control sea lamprey in Vermont and Lake Champlain remains strong. The fiscal year 2014 budget maintains funding in the Fish and Wildlife Service at the fiscal year 2012 level of \$1 million. In addition, funding for sea lamprey control is provided by the Great Lakes Fishery Commission through reimbursable support agreements with the Service. In fiscal year 2012, the Commission provided \$9.8 million; \$8.7 million in 2013; and the Service anticipates receiving approximately \$8.4 million in 2014, although exact allocations are as yet unavailable.

The Fish and Wildlife Service supports sea lamprey control efforts from field stations in Michigan and the Lake Champlain Fish and Wildlife Resources Office in Vermont. Funding for sea lamprey control efforts in Vermont is stable at approximately \$1 million in 2012, 2013 and 2014. A portion of this funding is provided by

the Great Lakes Fishery Commission. The Service works in close coordination with both Vermont and New York resource management agencies to support sea lamprey control efforts and together they are making progress.

The U.S. Geologic Survey also provides scientific and technical support to sea lamprey control efforts which has informed more effective efforts. USGS provides support from facilities in Michigan and Wisconsin.

#### WHITE-NOSE SYNDROME IN BATS

Senator LEAHY. Thank you. I know that the Senator from Tennessee has mentioned white-nose syndrome, something I raised here several years ago. It is a matter of huge import, not only to farmers that use pesticides, but also to those who are involved in organic farming without pesticides.

#### FISH HATCHERIES

And then native fish populations, ever-increasing risks. We've seen firsthand in Vermont FWS through the Federal Fish Hatchery System is critical to preventing that. Vermont's two Federal fish hatcheries support native fish restoration as far west as Lake Ontario, as far east as Maine. The administration's spending request is a significant drawback from freshwater fish restoration.

Are you going to be able to continue a strong network of Federal fish hatcheries?

#### WHITE-NOSE SYNDROME IN BATS

Secretary JEWELL. Senator, I'm going to address white-nose syndrome in bats, as well as the question on the fish hatcheries. I do have information. We have \$11.5 million for programs in the fiscal year 2014 budget for the white-nose syndrome in bats, and that's a \$5 million increase above 2012, so the budget recognizes the huge economic impact of that.

Senator LEAHY. Good.

#### FISH HATCHERIES

Secretary JEWELL. In terms of fish hatcheries, I know that there is support for fish hatcheries in general. I don't know specifically about Vermont.

Rhea.

Ms. SUH. Senator, we believe strongly that the Light River National Fish Hatchery is one of the best examples of our work in this realm. As you know, the hurricane in 2011 caused significant damage to this facility. We have been undergoing two separate construction projects to try to repair and rebuild the fish-tagging building. In 2014, we have a total of \$4.7 million budgeted for the operations of this program. We're working on both the ongoing regular operations, as well as the restoring, the rebuilding of the actual infrastructure.

Senator LEAHY. Good. Well, thank you very much. And finally, Madam Secretary, if you go online and pick up "The Onion," the satirical newsmagazine, you've probably seen this, how you became President when the President, the Vice President, the Speaker, myself, and those of us who are in line to accession to the presidency took a hot-air balloon ride. Trust me, we're not going to. Thank you.

Senator MURKOWSKI. Senator Cochran.

Senator COCHRAN. Madam Chairman, I'm pleased to join you and others on the subcommittee in welcoming our distinguished panel of witnesses today. We thank you for your leadership at the Department of the Interior.

#### MISSISSIPPI NATIONAL PARKS

Two of the most important activities in my area of the country involve the Gulf Islands National Seashore and the Natchez Trace Parkway, both of which are very important for visitation and appreciation of the beauty of that part of our country. And I just want to put in a plug for adequate funding to continue to carry out the activities that the Department has in supervising and helping maintain the integrity and beauty and enjoyability of that part of the country.

I think our time has run out on our vote over on the floor. So I'm prepared to yield back my time without really asking you for any commitments except your best efforts.

Secretary JEWELL. Thanks, Senator. I do want to reference that it looks like funding is equivalent to the fiscal year 2012 levels for the three parks in Mississippi. I look forward to visiting Vicksburg, which is coming up, I think in a week or two. So thank you.

Senator REED. Thank you very much, Senator Cochran. And as I indicated before, Senator Murkowski is now going to vote and we will begin a second round.

#### OFFSHORE WIND

One of the major issues that's upcoming is the auctions for offshore wind. This is particularly important to Rhode Island. Can you give us a detailed timeline? There was a commitment, I think, that all this process would be completed by the end of the year. But perhaps either you, Madam Secretary, or Deputy Secretary Hayes could comment.

Mr. HAYES. Be happy to, Senator. I want to compliment your leadership here and the State's leadership. Rhode Island really has invested from the very beginning in good studies and good analysis to enable Rhode Island now to move forward as our first competitive offshore lease sale with the combined Rhode Island-Massachusetts wind energy area.

We are looking to have a notice of the sale to come out within a matter of weeks and to have the actual sale occur before the end of the year. That's our current timetable. As we get closer, we will give your office, and I've enjoyed working with Rachael directly on this, more precise information.

Senator REED. Right.

Mr. HAYES. But we are on track to get it done this year.

Senator REED. Thank you very much, Deputy Secretary Hayes.

#### SEQUESTRATION

Madam Secretary, the issue of sequester keeps, obviously, coming up in many different contexts. Let me just ask, for the record and also to sort of, I think, provide a good basis for further discus-



sion. First of all, your budget does not assume the sequester; is that correct?

Secretary JEWELL. The fiscal year 2014 budget does not assume the sequester. We're making comparisons typically to the fiscal year 2012 budget because that's the last enacted budget that we had.

Senator REED. Right. Right. So the budget we're talking about, if the sequester continues into this 2014 fiscal year, it will be further complicated. Right now you're looking at, you're assuming no sequester?

Secretary JEWELL. That's correct.

Senator REED. Thank you. Now, and all of my colleagues, I think, because, first of all, they're extremely effective and thoughtful people, have suggested ways in which we could make further investments not only in their States, but in national programs. But even with the flexibility some people have spoken about, these additional investments would be difficult to do in the context of the budget with or without the sequester; is that fair also?

Secretary JEWELL. That's correct.

Senator REED. And again, one of the issues is that—and I think all of my colleagues would make the same point I would. When we do these investments, they actually generate economic activity, provide jobs, leverage the economy forward. So this is not just spending for the sake of spending. Yet could these critical investments—you know, you have a list of things you had to leave on the cutting-room floor, as they say on the west coast, that you probably believe would be hugely valuable for jobs, for economic growth, and for the future of the country. Is that a fair assessment, too?

Secretary JEWELL. Yes. And just to put a few numbers behind it, I come out of the active outdoor-recreation industry, \$600 billion of revenue that is generated because of people's recreation on public lands. The lion's share of those lands are managed by the Departments of the Interior and Agriculture.

On the energy side, I think we get a 26-to-1 return on investment for every dollar we invest. We generate \$26 of revenue for both States and the Federal Government. So, yes, I mean, as we scale back, as I referenced on the sequester, it's about \$200 million of lost revenue that we associate with just the cuts we've had to make from the sequester alone.

Senator REED. Well, thank you very much. That adds, I think, some context and some real value to what has been so far a very valuable discussion in and of itself.

#### URBAN PARK AND RECREATION RECOVERY PROGRAM

Let me turn to another issue. It was very encouraging to see this budget include \$10 million to revive the Urban Park And Recreation Recovery Program. You know, again, my colleagues are from larger States and more rural States, have parks, et cetera. But there's a need everywhere for access to nature, conservation, and the services that parks provide.

Can you explain some of the specific activities that you see funded under these grants? Who would be eligible as an allocation formula? Any details would be helpful.

Secretary JEWELL. Let me give the high level, and then I'll encourage my colleague, Rhea, to weigh in.

Senator REED. Thank you.

Secretary JEWELL. First, there is a significant, scary growing disconnect between children and nature. It's something that I have worked hard on before coming into this role. Urban parks are frequently the best opportunity children have to have any kind of a connection to the natural world at all. If we want people sitting around this dias in the future that care about these resources, which I think are vital for many reasons, we need to connect them to parks today.

The UPARR program, which has been around for a long time, but not funded consistently, is really vital. As a former urbanite from the Seattle area, these kinds of funds are desperately needed by local cities and counties to support the parks that are necessary in the region. That's why we're asking for it to come back. The Rivers, Trails and Conservation Assistance Program that NPS administers is another critical resource that is leveraged by local money.

So, Rhea, do you want to provide any more detail on the program itself?

Ms. SUH. Mr. Chairman, we can certainly provide you extensive detail on how the program will be operated. It is, obviously, operated by NPS. It's our understanding that the funds would go to local municipalities that have urban populations, in a competitive process. So again, we would be happy to get back to you with more details on the program.

This is a program, as you know, that used to exist several years ago. We are resurrecting it because we believe strongly and agree with you that the need, particularly in urban places around the country, is great.

Senator REED. Well, I concur, obviously. And in one point, I would echo the Secretary, so that if we want the next generation to be custodians of the environment and not just in certain areas, but throughout this country, we have to expose them to environmental education and issues. And again, we have been pushing through the Department of Education for a curriculum that has a recognition of getting kids outside. In fact, we've got legislation, the No Child Left Inside Act.

But this is not just Department of the Interior, but across the Federal Government engaging the next generation of young people in environmental education. And the best education is actually going in and seeing firsthand a park or, in our case, going out on the bay, Narragansett Bay, and participating in places like Seattle, going up into the mountains and hiking or climbing, et cetera. So it's absolutely critical.

[The information follows:]

#### URBAN PARKS AND RECREATION RECOVERY

Established by the Urban Park and Recreation Recovery Act of 1978, the Urban Park and Recreation Recovery grant program was designed to provide matching grants to a prioritized list of urban cities and counties that represent the most physically and economically distressed communities Nationwide. The program provides direct Federal grants to local governments to rehabilitate existing indoor and outdoor recreation facilities; to demonstrate innovative ways to enhance park and recreation opportunities; and to develop local Recovery Action Programs to identify needs, priorities and strategies for revitalization of the total recreation system.

Rehabilitation and innovation grants are awarded through a national competition among the detailed project proposals submitted to the National Park Service (NPS). These are evaluated and ranked by a national panel and recommendations made to the Director of the National Park Service for selection. The project selection criteria address the goals of the UPARR program and are outlined in the UPARR Act. For example, project selection criteria for rehabilitation projects include but are not limited to:

- Maximizing project costs per capita in the community served.
- The degree of service to minority and low to moderate-income residents, special populations, and distressed neighborhoods.
- The degree of State participation in the proposal, including financial and technical assistance.
- The degree of private sector participation in the proposal, including contributions of financial assistance.
- The degree to which the project is clearly a priority for action listed in the Recovery Action Program and the jurisdiction's commitment to improving its recreation system.
- The scope of whether the proposed project will serve neighborhood recreation needs.
- The condition of existing recreation properties to be rehabilitated and the need to maintain existing services.
- The level of improvement in the quality and quantity of recreation services as a result of rehabilitation, including improvements at specific sites and overall enhancement of the recreation system.
- The degree of the projects consistency with local government objectives and priorities for overall community revitalization.
- The degree of neighborhood employment opportunities created.

#### YOUTH

Senator REED. And let me ask a broader question, which is, this is one aspect of youth programs in the budget. Madam Secretary, could you comment generally about other areas of the budget that emphasizes sort of youth engagement?

Secretary JEWELL. Yes, and I hate to keep hearkening back to the sequester, but one of the biggest impacts we've had is the reduction in youth hiring. When I go around the BLM or the Park Service, or even USGS, a lot of the folks that work for the Department of the Interior started as young people. They might have been in college, and they did a summer job. My son worked for 3 years as a volunteer ranger in a national park. It connected him to place in a way that will change his life forever

These opportunities are enormously critical in making sure we have people that are interested in the jobs that take care of these lands. I want to compliment Assistant Secretary Suh on her commitment to youth hiring in Interior, because we've had tens of thousands—how many thousands?

Ms. SUH. 84,000.

Secretary JEWELL. 84,000 young people, looking in the rear-view mirror, have been hired by Interior. These will be the people that will be our park rangers, our wildlife biologists, and our oil and gas lessees of the future.

We also have a very scary situation with the maturation, I would say, of our workforce.

Senator REED. You mean they're getting to be our age?

Secretary JEWELL. I resemble that remark, yes.

Senator REED. They're getting to be my age. I understand.

Secretary JEWELL. Well, they're my age, and they will be eligible for retirement in a 5-year period of time. You know, will we have the people necessary with the skills set necessary? We have a com-

mitment to that, but it is difficult in this budgetary time. And that's certainly something that's reinstated in this budget.

Senator REED. Well, you make another excellent point, which is, there's, going forward, a capacity issue, because as you lose these very valuable, very experienced personnel, for the last several years we have not been hiring at the level we need to keep the entry-level and middle ranks sustained so that there's a natural progression upwards. And we could find ourselves with a situation where we, you know, don't have the capacity, the expertise. And that doesn't help anyone, because you still have the mission, but you still have the capacity.

#### LAND AND WATER CONSERVATION FUND

But let me change to another topic that you've mentioned, then I've mentioned, and that's the LWCF. We have, and I think this is strong bipartisan support over the years for the LWCF. We're fully funding it, et cetera.

The proposal in this budget is to make part of it mandatory, and I think, the longer term, to transition to an entirely mandatory program.

Secretary JEWELL. That's correct.

Senator REED. Which the value, obviously, is it tends to lock in the money. But what it doesn't do is allow sort of the not only just oversight, but, you know, members to be able to indicate the local preferences, what's an important project in Alaska or Nebraska or Rhode Island, which is part of what we do, and also, the oversight of the program on specific issues, accountability, et cetera.

So how are you planning to continue to involve Congress in this process, first for this at least proposed, and not yet adopted mandatory portion, and certainly at the point if this ever got to be completely a mandatory program?

Secretary JEWELL. Senator, as a businessperson, I spoke at length with many members of this body about the importance of full funding of the LWCF to fulfill its intended purpose. It has been under threat consistently, and that is why we are proposing mandatory funding.

I think there's an example in the Migratory Bird Commission. There's another word in there, isn't there?

The Migratory Bird Conservation Commission. Where there is engagement on the part of the Congress in prioritizing where those funds are spent. I would welcome the opportunity to work with you and this committee on establishing something similar so there is insight and input from Congress on prioritizing those projects. Because it's certainly not something that needs to be driven by us. It's something I think we could drive collaboratively.

Senator REED. And again, one of the concerns is that it's this balance between smaller areas of the country, larger areas that might have, you know, just a bigger footprint, if you will, where you have to deal with that. And without, I think, healthy dialog within the Congress and the administration, we're not going to be as effective as we should be. So I thank you for that, going forward.

I'm going to recognize Senator Murkowski and ask her, at the conclusion of her questions, because I do not believe any of our colleagues will return, if you could gavel us out. I would indicate that

the record will remain open until Thursday, May 16. So, Madam Secretary, you could get some written questions from any of my colleagues. And we'd ask you to respond as quickly as possible. Those questions have to be in by May 16, and we ask again for your rapid response.

With that, let me turn the gavel over to Senator Murkowski to ask a question and to conclude the hearing. Thank you.

Senator MURKOWSKI [presiding]. Thank you, Mr. Chairman. Appreciate that. And sorry for the Jack-in-the-box routine, but this is what happens. And thank you for an opportunity to just ask a couple more questions; I won't keep you too long because it's been a long morning for you as well.

#### ARCTIC OCS REGULATIONS

Let me ask first about where we are in the process of developing these Arctic-specific regulations within BOEM for the exploration and development in the OCS areas out there. As you know, exploration has been delayed going forward this next season, in part because of what's gone on with the regulatory uncertainty.

Can you give me some sense as to the timeline we're looking at here for these regulations and whether or not it's your intent to have those regs in place in time for the 2014 drilling season?

Secretary JEWELL. Senator, I have had meetings with both Shell and ConocoPhillips, who are the principals involved in this. I've not yet met with Statoil; that may come up. I sense a strong commitment to safe and responsible development of the Arctic by the operators and by the regulators.

I don't believe that, in my conversations, that either Shell or ConocoPhillips feels that it is regulations that are getting in their way. It is ensuring that the technology is available to be able to respond in the event of an incident, a spill incident up there, that is of paramount importance to us and I'm sure to you, as well. We certainly don't want a situation in the Arctic like we experienced in the gulf.

Shell has been ahead of the game in working on particularly the oil spill response. As you know, their response didn't pass the test. They would acknowledge that, and certainly, the Bureau of Ocean Energy Management agreed that the test was not passed. Shell is back working on developing a strategy to make that happen, and they're going to continue to test until they get it right.

There is a requirement that the ability to drill a relief well be there, because unlike other parts of the world, where you've got the ability to rapidly respond with other units that might be in the area, that's not true. Both Shell and ConocoPhillips, and Statoil if they proceed with their development, will look to share resources to be able to drill a relief well should there be a problem. That's another factor.

But I don't sense that there is any disconnect between industry and the regulator in terms of what needs to be done or the timing.

Senator MURKOWSKI. Well, let me ask for clarification on that because, as we know, when Shell was moving forward as the only entity, the only producer up there, the plans were very specific as to Shell's operations. Conoco is looking at a different process using a jack-up rig. So in terms of ensuring that the regulations are out

there, that they are clear and understandable, that allow for a level of certainty, there are, as I understand, still regulations that need to be defined.

So the question is, will that be clearly mapped out far enough in advance so that Conoco can advance in 2014, or Shell can advance in 2014? Actually, excuse me, Conoco has already said that they won't go in 2014. They're putting it off an additional year. But will that regulatory certainty be there for Shell should they decide to move forward in 2014?

And then a secondary question is as it relates to the air quality programs. As you know, in the 2012 appropriations bill, we transferred the authority from EPA to DOI. And so, same question: Will you be prepared within BOEM to have finalized these regulations, not only on the exploration and the development side, but on the air-quality side, in time for the 2014 season?

Secretary JEWELL. I'm going to ask Deputy Secretary Hayes to weigh in with more detail.

Mr. HAYES. Thank you, Secretary and Senator. First on the question of Arctic-specific standards, we are going to move forward and put in regulations. The requirements that Shell was required to do under the exploration plan, we are looking to have performance standards so any company working the Arctic will be expected to meet a performance standard, for example, to deal with the containment for a spill, but with the flexibility for companies to figure out how they want to meet that standard.

We do expect to have proposed regulations out by the end of this year so there will be clarity going forward. They will be based on the kinds of requirements we've worked on together and that were used in the field last summer. So there should not be significant concern about what's in them, but we do believe it's appropriate to put them in regulations now that we have more than one operator moving up there, and that's our intent.

With regard to the air side, we are working hard at developing the regulations to implement the addition of the jurisdiction to BOEM to handle air requirements in Alaska as they do in the gulf. And we expect forward movement on those this year as well.

Senator MURKOWSKI. Do you expect that there will be any difference between how the department regulates the air quality in the gulf and up north?

Mr. HAYES. I think it will be the same approach, Senator, which is what I believe is required under the law that you helped to instigate and pass.

Senator MURKOWSKI. Good. I appreciate that. And I think it was important to hear the word "flexibility" used in your response when you're talking about the performance standards, because recognizing that you may have different technologies, different approaches there, yes, it's important to have that backup, if you will, that standby system. But the designs might be different, given what the different operators are utilizing.

So it is important, again, that we have those regulations that are clearly defined in advance, well in advance, hopefully, of this season so that that level of certainty, moving forward, is there.

## CONTRACT SUPPORT COSTS

Let me ask one final question to you, Madam Secretary. And this relates to BIA and IHS contract support costs. Last year, the Supreme Court, in the Ramah case, held that tribes are entitled to full contract support costs under their agreements with the Federal Government.

What we're seeing, though, with the budget requests for both BIA and IHS, they have proposed this separate appropriations account solely for contract support costs that also includes some statutory language that, in my view, circumvents the court's holding there. The language would effectively prevent the tribes from bringing claims for the full amount of contract support costs if inadequate funding is not appropriated to cover these costs.

I don't know what kind of feedback you have heard, but I can tell you, the outcry from tribes from folks back home on this particular issue is really loud. It's quite intense. The tribes have spent so many years getting to this point, significant legal costs. They get the Ramah decision and are very optimistic that they will finally see some equity within the budget here. And now this proposal, again, really kind of undercuts where they have come from.

One of the questions that they asked me to ask you was whether or not there had been any tribal consultation prior to putting forth the proposal in the budget. And recognizing that you weren't in that situation to do that, I don't know if any of your staff has information in terms of what actually went on prior to this decision or this proposal that is now in the budget.

Secretary JEWELL. Let me give a high-level on the contract support cost dollars.

Senator MURKOWSKI. Okay.

Secretary JEWELL. And then I'll turn to my colleagues in terms of the process. We've got \$231 million in the budget for contract support costs, which is about 91 percent of the need. So it is not fully funded. It would require about \$253 million to fully fund. It is an increase of nearly \$10 million. I understand that the court provided some different options in terms of how it might be administered.

The President and the Department of the Interior really want to fulfill our obligations under this. And of course, it's a function of money. We would very much like to resolve this, working with Congress to come up with a mechanism to address the conflict that we have in funding and, I think, in terms of some legal conflicts as well in how the laws are administered.

David, do you want to provide more?

Mr. HAYES. Yes, thank you, Secretary. And, Senator, this is a very important issue to us. As you know, this is an issue that also affects the Department of Health and Human Services with the Indian Health Service. In putting together the President's budget, it was really a function of the administration as a whole that had to deal with this issue, at the same time that we're trying to now settle the class action case as well, based on the Supreme Court decision.

The consultation is occurring now. And I know that within the last—

Senator MURKOWSKI. So after the fact? How is that going?

Mr. HAYES. Well, I think it was going pretty rough, Senator. I know that Charlie Galbraith on behalf of the White House and Kevin Washburn and Ms. Roubideaux and others have met with the tribes about this. We very much view this budget as the beginning of a discussion. We need to solve this problem, working with you and the Congress, to ensure that full support costs are available.

As the Secretary said, we're committed to it. We've found some additional money. We have to solve this problem. This is an interim step, and what we care most about, and I'm sure you do as well, is that this not be a recurring issue year in and year out and become an open sore.

I know that Kevin Washburn, in particular, the Assistant Secretary for Indian Affairs, is committed to deal with this. I've engaged with my colleagues at the Department of Health and Human Services and the Attorney General's Office to see if we can't both get the retrospective litigation completed and then have a solution going forward that works for you as appropriators, as well, to fund the support costs and honor the Supreme Court's decision.

Senator MURKOWSKI. Well, and honor the Supreme Court's decision, but also honor that trust responsibility to our first peoples. It seems to me that the solution really here is to do what the Ramah decision laid out, which is to pay the tribes the full amount of their contract support costs, and the President should include that full amount in his budget.

I am sure that the consultation right now, or I guess it's not really consultation if it's after the fact, but I'm sure it's difficult. And we do need to figure out how we're going to do right, again, not only by the court decision, but just the right thing when it comes to these obligations that our native people have incurred when it comes to operation of our hospitals, of our schools.

So this is an important one. And we've talked a little bit about the impact of sequestration and what it may bring. But this is not brought on by sequestration. This is just us dealing with our responsibility, our obligation. And how we make good on it is hugely important. So I appreciate the work that's going into it, and I know that we stand ready to work with you on this end.

#### ADDITIONAL COMMITTEE QUESTIONS

With that, we have held you here in the subcommittee for some time. I appreciate, Madam Secretary, your willingness to step forward and serve, working with good staff. Deputy Secretary Hayes, we appreciate the service that you have given for many years now. And Secretary Jewell, my free advice is, take full advantage of him until June and tap into the resource that he clearly has made available to the Department of the Interior.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]



QUESTIONS SUBMITTED BY SENATOR JACK REED

NATIONAL HERITAGE AREAS

*Question.* Your fiscal year 2014 budget request proposes a change in the distribution formula for national heritage areas (NHAs) including the John H. Chafee Blackstone River Valley National Heritage Area in Rhode Island that includes a new tiered and “performance-based” system of funding. Please describe, in detail, how and when the Department plans to implement this formula change and provide the proposed allocation of funds for each authorized heritage area as provided by your fiscal year 2014 budget.

Specifically, how does your fiscal year 2014 budget request continue to provide funding for mature national heritage areas like Blackstone? At what level do you propose to fund these areas, and how does that level compare with the funding that these areas will receive in fiscal year 2013?

*Answer.* The National Park Service will initiate phase-in of a revised funding formula as funding levels allow. The revised formula is a merit-based system for allocating heritage areas funding that considers a variety of factors based upon criteria related to program goals, accountability, and organizational sustainability.

The revised Heritage Partnership Program (HPP) funding formula uses three sequential tiers. The amount of funding available to each heritage area coordinating entity depends upon the total annual HPP appropriation and the number of coordinating entities authorized to receive funds. Tier increases for each coordinating entity are dependent upon meeting eligibility requirements and attaining performance measures.

First the tier 1 allocation of \$150,000 would be provided to all NHAs that are authorized to receive HPP funding, able to meet any Federal/non-Federal match requirements contained in their authorizing legislation, and are able to expend funds obligated under their cooperative agreement within a reasonable period of time.

Next, each NHA coordinating entity that meets the tier 2 requirements would receive an additional amount of funding up to \$250,000 or if sufficient funding is not available an equal share of the available funds. To be eligible for tier 2 funding the coordinating entity must meet additional eligibility requirements regarding management plan approval, and have at least one full-time, paid staff person in place to assume financial and administrative responsibility of heritage area funds.

Last, if funds remain available after awarding tier 1 and tier 2 funds, then tier 3 funds will be allocated among those coordinating entities that have already met the tier 1 and 2 requirements, have long-term sustainability plans, and can match HPP funds at a 1:2 ratio, or provide an all-cash match at a 1:1 ratio or the ratio specified in the Area’s authorizing legislation.

There are currently 48 National Heritage Areas authorized to receive funds through the NPS HPP budget activity. If the appropriated amount is equal to the request of \$8,014,000 for Heritage Partnership Commissions and Grants, the fiscal year 2014 allocations will range between \$150,000 and \$170,872, which will constitute a dramatic decrease for mature areas.

The following table shows the actual fiscal year 2013 allocations and the planned allocation for fiscal year 2014. In fiscal year 2013, \$15,533,000 was available, post-sequestration, for Heritage Partnership Commissions and Grants, or nearly twice as much as planned for fiscal year 2014. Due to the significantly higher level of overall funding, direct comparisons of the allocations between the 2 years are not very descriptive, but overall the individual allocations ranged between \$150,000 and \$628,000. The draft fiscal year 2014 allocation is predicated on each of the 48 coordinating entities receiving authorization through fiscal year 2014 and obtaining eligibility for tier 1 funding. A subset of the NHAs is expected to have approved management plans in place and thus be eligible for tier 2 funding. These NHAs would be funded at \$170,872.

National Heritage Areas	Fiscal Year 2013 Enacted (Post-Sequestration)	Fiscal Year 2014 President’s Budget Request
Abraham Lincoln National Heritage Area .....	\$150,000	\$170,872
America’s Agricultural Heritage Partnership (Silos) .....	628,000	170,872
Arabia Mountain National Heritage Area .....	288,000	170,872
Atchafalaya National Heritage Area .....	288,000	170,872
Augusta Canal National Heritage Area .....	288,000	170,872
Baltimore National Heritage Area .....	150,000	170,872
Blue Ridge National Heritage Area .....	610,000	170,872
Cache La Poudre River Corridor .....	150,000	150,000
Cane River National Heritage Area .....	523,000	170,872

National Heritage Areas	Fiscal Year 2013 Enacted (Post-Sequestration)	Fiscal Year 2014 President's Budget Request
Champlain Valley National Heritage Partnership .....	288,000	170,872
Crossroads of the American Revolution National Heritage Area .....	288,000	170,872
Delaware & Lehigh National Heritage Corridor .....	540,000	170,872
Erie Canalway National Heritage Corridor .....	627,000	170,872
Essex National Heritage Area .....	556,000	170,872
Freedom's Frontier National Heritage Area .....	288,000	170,872
Freedom's Way National Heritage Area .....	150,000	150,000
Great Basin National Heritage Route .....	150,000	170,872
Gullah/Geechee Heritage Corridor .....	150,000	170,872
Hudson River Valley National Heritage Area .....	435,000	170,872
Illinois and Michigan Canal National Heritage Corridor .....	288,000	170,872
John H. Chafee Blackstone River Valley National Heritage Corridor .....	575,000	170,872
Journey Through Hallowed Ground National Heritage Area .....	150,000	150,000
Kenai Turnagain Arm National Heritage Area .....	150,000	170,872
Lackawanna Valley National Heritage Area .....	378,000	170,872
Mississippi Delta National Heritage Area .....	150,000	150,000
Mississippi Gulf Coast National Heritage Area .....		170,872
Mississippi Hills National Heritage Area .....	150,000	150,000
Mormon Pioneer National Heritage Area .....	288,000	170,872
MotorCities-Automobile National Heritage Area .....	435,000	170,872
Muscle Shoals National Heritage Area .....	150,000	150,000
National Aviation Heritage Area .....	288,000	170,872
National Coal Heritage Area .....	288,000	170,872
Niagara Falls National Heritage Area .....	288,000	170,872
Northern Plains National Heritage Area .....	150,000	150,000
Northern Rio Grande National Heritage Area .....	150,000	150,000
Ohio and Erie Canal National Heritage Area .....	567,000	170,872
Oil Region National Heritage Area .....	288,000	170,872
Quinebaug-Shetucket Rivers Valley National Heritage Corridor .....	590,000	170,872
Rivers of Steel National Heritage Area .....	588,000	170,872
Sangre de Cristo National Heritage Area .....	150,000	170,872
Schuylkill River Heritage Area .....	435,000	170,872
Shenandoah River Valley Battlefields National Historic District .....	385,000	170,872
South Carolina National Heritage Corridor .....	587,000	170,872
South Park National Heritage Area .....	150,000	170,872
Tennessee Civil War Heritage Area .....	386,000	170,872
Upper Housatonic Valley National Heritage Area .....	150,000	150,000
Wheeling National Heritage Area .....	528,000	170,872
Yuma Crossing National Heritage Area .....	304,000	170,872
<b>Total .....</b>	<b>15,533,000</b>	<b><sup>1</sup> 8,014,000</b>

<sup>1</sup> Numbers may not add due to rounding.

URBAN PARKS AND RECREATION RECOVERY PROGRAM

*Question.* As member from an urban State, I was encouraged to see that your budget request includes a \$10 million investment to revive the Urban Parks and Recreation Recovery Program, which has not been funded in several years. Can you please explain what specific activities are funded by these grants, and who is eligible? How will you allocate these funds?

*Answer.* Established in 1978 by the Urban Park and Recreation Recovery Act of 1978, the Urban Park and Recreation Recovery (UPARR) grant program was designed to provide matching grants to a prioritized list of urban cities and counties that represent the most physically and economically distressed communities nationwide.

The program provides direct Federal grants to local governments for:

- Rehabilitation grants, to rehabilitate, expand or developing existing neighborhood oriented outdoor or indoor recreation areas and facilities existing indoor and outdoor recreation facilities;
- Innovation grants, to cover the cost of personnel, facilities, equipment, supplies or services associated with the development of innovative, cost-effective ideas, concepts, and approaches toward improved facility design, operations or programming for the delivery of recreation services at the local level; and
- Recovery Action Program Planning grants, to develop local Recovery Action Programs to identify needs, priorities and strategies for revitalization of the total recreation system.

Grants are available directly to a predetermined list of eligible urban cities and counties. This list currently includes over 400 jurisdictions and was determined through a comprehensive study and analysis conducted by the U.S. Census Bureau in conjunction with the Department of the Interior. If funding is provided by Congress, this analysis would be updated. Additionally, up to 15 percent of the annual appropriation is available to cities not on the list but which are in Census Bureau defined Metropolitan Statistical Areas and meet other eligibility criteria. In order for jurisdictions to be able to apply for Rehabilitation or Innovation grants, they must have a National Park Service approved Recovery Action Program Plan that demonstrates the jurisdiction's commitment to revitalizing its park and recreation system.

Rehabilitation and innovation grants are awarded through a national competition among the detailed project proposals submitted to the NPS. These are evaluated and ranked by a national panel and recommendations made to the Director of the National Park Service for selection.

*Question.* The request proposes funding these urban recreation grants in lieu of the existing \$5 million Stateside Competitive Grant program, while it continues to fund \$40 million for Stateside formula grants. Can you please explain what is different about this urban parks program compared to the Stateside competitive grant program? What is the administration hoping to achieve with this proposal?

*Answer.* There are a number of key differences between the UPARR program and the previously proposed, but never enacted, Land and Water Conservation Fund (LWCF) State Competitive program. Chief among them is that the LWCF State Competitive program proposal focused on the three core America's Great Outdoors (AGO) priorities which included increasing and improving recreation access and opportunities in urban parks and community green spaces, increasing public access to rivers, and catalyzing large landscape partnership projects. The UPARR program is consistent with the AGO priorities, but has a more targeted approach in that it focuses exclusively on rehabilitating existing facilities in core urban areas. Last, LWCF competitive grants were intended to be available to States and through States to any local unit of government whereas UPARR grants are specifically targeted to the most economically distressed urban cities and counties across the country.

With regard to the goals that the administration hopes to achieve, the UPARR program is intended to help stimulate the revitalization of urban park and recreation opportunities by promoting a unified approach to addressing urban recreation through coordination and partnership among different levels of government and the private sector. By doing so the administration hopes to create a robust system of urban parks that can contribute to the accomplishment of high priority national goals to improve and encourage health living, redevelop economically depressed urban cores, and revitalize and create livable urban communities.

The President's budget request includes \$10 million for the UPARR program; additionally a proposal to fund a portion of recreation grants from the LWCF as a permanent appropriation will provide an additional \$5 million for UPARR grants. The budget also requests \$40 million for the Stateside program with an additional \$20 million included in the permanent LWCF appropriation proposal. Competitive Stateside grants are not proposed for funding in the President's budget request.

#### SEQUESTRATION

*Question.* Secretary Jewell, can you give us more detail about what visitors to the parks and other Federal lands should expect this summer as a result of sequestration? What are some specific examples of the tough choices that you have already been forced to make?

*Answer.* As a result of the sequester, many parks are not filling vacancies and are retaining fewer seasonal employees. Consequently, these parks will experience reduced visitor services and hours of operation, shortened seasons, and closing of park areas when there is insufficient staff to ensure the protection of visitors, employees, resources and Government assets. Some specific examples include:

- Great Smoky Mountains National Park (NP) will close three remote campgrounds and two picnic areas, affecting 54,000 visitors;
- Mount Rainier NP will close the Ohanapecosh Visitor Center, affecting 60,000–85,000 visitors;
- Catoctin Mountain Park will close its only visitor center 50 percent of the time;
- Blue Ridge Parkway will cut 21 seasonal interpretive ranger positions, affecting 584,000 visitors and resulting in the closure of 10 developed areas, which is nearly a third of its developed areas and creates a 50-mile distance between open facilities which limits contacts with park staff;

- Jewel Cave National Monument and Wind Cave NP, both located in southwestern South Dakota, will each discontinue approximately 35 percent of cave tours daily in the high season;
- Natchez Trace Parkway will close 14 comfort stations two days per week, and four comfort stations for the entire 2013 season, affecting more than 200,000 visitors. Colbert Ferry Visitor Center and Rocky Springs Visitor Center will remain closed for the 2013 season; and
- Yosemite NP will do less frequent trash pickup, have fewer campground staff, and place a reduced focus on food storage violations, all of which contribute to visitor safety concerns and increased bear mortality rates. This will reverse the progress the park has made since 2000 to reduce bear incidents by 90 percent as well as the cost of damage from bear incidents by 42 percent.

ELLIS ISLAND

*Question.* The National Park Service has announced that the Statue of Liberty will reopen on July 4 this year, but it does not appear that the Service has established any timeframes for the reopening of Ellis Island. Does the National Park Service have a specific plan, including a timetable, for the public reopening of Ellis Island National Monument? If so, will you please share that plan with the committee and please tell the committee whether or not the public has access to the plan? If the Service has not yet settled on a plan, when will such a plan be developed? When will the public be able to participate in its development?

*Answer.* Plans to reopen Ellis Island to the pre-Sandy visitor experience depends upon the re-establishment of utilities, primarily electricity, and replacement of building systems, including HVAC, plumbing, telecommunications, as well as the re-installation of artifacts in exhibits at Immigration hall. Engineers have been developing plans to provide a sustainable long term solution for utilities that are vulnerable to flooding and water damage from future storm events. We anticipate concepts of the engineering plans to be complete within the next month; when the engineering plans are final, a firm timetable to re-open Ellis Island to visitors can be considered.

*Question.* Complicating the matter for both the Statue of Liberty and Ellis Island is the issue of security. The main security screening facility, which was located in Battery Park in Manhattan, was lost in the hurricane. I understand that there is some discussion of erecting a “temporary” facility on Ellis Island, similar to the “temporary” facility that was used in Battery Park for a decade. Does the Service currently have a plan for building a security screening facility on Ellis Island? If so, please tell the committee the location and nature of the structure. If such facility is considered temporary, what is the Service’s current thinking is with respect to a long-term option for security screening at the Statue of Liberty and Ellis Island?

*Answer.* Earlier plans to conduct security screening on Ellis Island have been superseded by new plans to return security screening to temporary facilities at both Battery Park and Liberty State Park. The National Park Service continues to work with our partners to find and commit to a long term, permanent option for security screening.

*Question.* Will any of the Ellis Island funding provided in the recent Sandy supplemental bill (113–6) be used to re-stabilize the buildings on the “south side”? If so, please provide the details of those expenditures.

*Answer.* Supplemental funding will be used to repair and rehabilitate all visitor facilities that were operating prior to Superstorm Sandy. The NPS has planned \$75.5 million for projects at the Statue of Liberty National Monument, which includes Ellis Island. The specific projects, and the individual cost estimates, are included in the table below. Funding levels for projects will be refined as planning and design gets underway and sequestration reductions are applied.

HURRICANE SANDY NPS CONSTRUCTION PROJECTS

Statue of Liberty National Monument

Project Title	Amount (\$ in millions)
Demolish Three Houses and Rehabilitate Two Structures for Mission Critical Support Requirements .....	0.6
Remove Estimated 3.3 Tons of Hazardous Debris from the Main Buildings .....	3.1
Repair Storm Damage at Liberty Island Dock, Pier and Ferry Slip .....	22.3
Restore Concrete Foundation for Office Trailer Marina Unit for Park Police .....	0.1
Repair Flood Damage in Basement at Concession Building #38 .....	1.7
Repair Damage to Heat, Utilities, Mechanical, and Electrical Systems at Main Immigration Building .....	19.2

HURRICANE SANDY NPS CONSTRUCTION PROJECTS—Continued

Statue of Liberty National Monument

Project Title	Amount (\$ in millions)
Repair Storm Damage to Liberty Island Temporary Retail Pavilion .....	0.2
Repair Storm Damage to Heat and Utilities at Liberty Island .....	4.6
Ellis Island Emergency and Long Term Museum Collections Protection Conservation and Storage .....	1.7
Replace Destroyed Administrative Equipment, Furnishings and Data Systems .....	0.5
Repair Storm Damages on Ellis Island and to the Statue Mall and Plaza .....	0.1
Repair Sections of Brick Paved Walkway, Handrail System and Granite Seawall at Liberty Island .....	2.7
Repair Damages to the Administrative, Maintenance and Support Buildings .....	3.7
Replace Flood Destroyed Equipment and Security Screening Tents With Temporary Facilities at Ellis Island .....	9.3
Replace Diesel Generators and Restore Interim Emergency Utility and Heating System .....	1.8
Replace Equipment and Ancillary Attachments .....	0.8
Replace Damaged Fuel Oil System With Natural Gas Main at Liberty Island .....	3.1
Total .....	75.5

*Question.* Does the Service currently have any plans to open the assets on the south side of Ellis Island to the public?

*Answer.* The buildings and grounds on the south side of Ellis Island are not suitable for public visitation due to their condition. The National Park Service continues to work with its partners to produce a long term plan for the rehabilitation of the south side and access by the visiting public.

QUESTIONS SUBMITTED BY SENATOR TOM UDALL

FIRE FUNDING

*Question.* It is my understanding that the President’s fiscal year 2014 budget request for Hazardous Fuels Reduction for the Department of the Interior (DOI) Office of Wildland Fire is reduced by \$88.9 million. This is a 48 percent cut in funding for the program. The DOI Office of Wildland Fire supports fire programs within the Bureau of Land Management, National Park Service, Fish and Wildlife Service, and Bureau of Indian Affairs, which represent a huge amount of Federal lands across the country.

Could I get some examples or description as to how the four bureaus successfully used this funding in previous years?

*Answer.* Hazardous Fuels Reduction (HFR) funding is used to plan, implement, and monitor fuels reduction treatments and conduct community assistance activities. Hazardous fuels treatments remove or modify wildland fuels (both living and dead vegetation) to reduce the risk of wildfire to communities and their values. Community assistance is provided in the form of community education, collaborative planning, and activities to reduce human-caused ignitions.

From fiscal year 2002 through fiscal year 2012, DOI treated on average approximately 1.3 million acres of hazardous fuels annually across the four Bureaus. The Bureaus design and implement fuels treatment activities that are aimed at reducing fire severity, modifying fire behavior, and/or restoring ecosystem health. Examples of treatments that have achieved one or more of these objectives are numerous and evident across the Nation.

Below are some specific examples and recent activities:

- Between 2002 and 2009, the Bureau of Indian Affairs implemented a series of prescribed fire treatments located on the boundary of the Fort Apache Indian Reservation that proved effective in controlling the spread of the 2011 Wallow Fire.
- Fuel breaks established since 2005 have either stopped or helped suppress several past large fires in southeastern Oregon, particularly around the towns of Rome and Arock.
- In fall 2012, fire crews completed the 22-acre Lodge prescribed fire adjacent to the John Muir Lodge in Sequoia-Kings Canyon National Park. The project provided critical fuels reduction next to the lodge and for the Grant Grove area.
- Nevada Bureau of Land Management’s (BLM’s) recently completed the 1,080-acre Upper Colony II Fuels Treatment Project, on the eastern slope of the Pine

Nut Mountains, moderated fire intensity and slowed the rate-of-spread of the 2012 Burbank fire.

—In 2012, the Tract G Fuel Break prevented community and wildfire risks by stopping a wildfire from burning on to refuge land and neighboring private property in the vicinity of the Sacramento National Wildlife Refuge.

—Also in 2012, two prescribed fires at the Grand Canyon National Park reduced the heavy build-up of dead and down vegetation in both burn units, decreasing the risk of extreme fire behavior in the future, especially along Highway 67, the North Rim's primary exit route.

*Question.* Will this reduction in funding for Hazardous Fuels Reduction make communities more at risk?

*Answer.* The Department's commitment to fully fund the 10-year suppression average, which required a \$205.1 million increase over the 2012 enacted level, and other priority investments, impacted the funding available for other important programs. The Department's 2014 budget decisions were made in the context of a challenging fiscal environment.

The Wildland Fire Management program's primary objective is to protect life and property, and this is achieved by fully funding the suppression 10-year average and maintaining our initial and extended attack firefighting capability at current levels. The 2014 request does this by funding Preparedness at the 2012 enacted level, as adjusted for fixed costs.

The planned Hazardous Fuels Reduction program for fiscal year 2014 represents the most effective use of available funds. High priority projects will be completed in high priority areas with the goal of mitigating wildfire risks to communities.

#### LAND AND WATER CONSERVATION FUND

*Question.* I want to commend your administration's continued commitment to the Land and Water Conservation Fund (LWCF) and to ensuring that it is used for its intended purposes. I applaud you and the President for your foresight and strong support for LWCF funding in the fiscal year 2014 budget.

In New Mexico, our experience is that our public lands are enormous economic engines with substantial local community support. LWCF plays a key role in ensuring the viability of our public lands—by securing access to hunting, fishing and other recreation lands, protecting important historic and cultural sites, and ensuring water supply and watershed restoration.

As you seek to address the many pressing needs of the Department of the Interior, how do you see the role of LWCF funds in supporting local economic needs, in addressing agency management challenges, and in providing a conservation solution to community needs?

*Answer.* The 2014 budget represents an unprecedented commitment to America's natural heritage by proposing \$200 million in mandatory funds out of \$600 million overall for LWCF programs in 2014. Starting in 2015, the budget proposes \$900 million annually in mandatory funding, which is equal to the amount of oil and gas receipts deposited in the LWCF each year. This funding will provide stability needed for agencies and States to make strategic, long-term investments in our natural infrastructure and outdoor economy to support jobs, preserve natural and cultural resources, bolster outdoor recreation opportunities, and protect wildlife. The Land and Water Conservation Fund is an important tool for supporting conservation and recreation priorities in communities throughout the country. Through direct Federal investments and grants to States and local governments, LWCF supports a wide range of community needs related to conservation, recreation, and strong rural economies and working lands. The fund also enables bureaus to address land management challenges through strategic acquisition of inholdings or parcels that solve resource management challenges. The Department's LWCF programs work in cooperation with local governments and communities, rely on willing sellers for acquisitions, and maximize opportunities to partner with private landowners on conservation easements. The Department and bureaus use rigorous merit-based selection processes to identify projects that will make the greatest contribution to meeting outcome-based goals. All of these factors help ensure that LWCF funds are targeted to high priority projects and are aligned with and supportive of community priorities, including local economic needs.

A total of \$243.8 million, 41 percent of the administration's 2014 LWCF request, would fund grants to States for conservation and recreation through grant programs run by the Forest Service, the National Park Service, and the Fish and Wildlife Service. The LWCF State Grants Program provides matching grants to States and local governments for the acquisition and development of public outdoor recreation areas and facilities. The program helps to create and maintain a nationwide legacy

of high quality recreation areas and facilities and to stimulate non-Federal investments in the protection and maintenance of recreation resources across the country. The Cooperative Endangered Species Conservation Fund (CESCF) grants provide funds to States to work with private landowners, conservation organizations, and other partners to protect and conserve the habitat of threatened and endangered species. The Urban Park Recreation and Recovery Program (UPARR) provides matching grants to select physically and economically distressed urban communities to revitalize and improve recreation opportunities.

A total of \$356.2 million, accounting for the other 59 percent of the administration's LWCF request, would support land acquisition. Land acquisition funds are used to secure access for the American public to their Federal lands. These funds invest in acquisitions to better meet recreation access needs by working with willing landowners to secure rights-of-way, easements or fee simple lands that provide access or consolidate Federal ownership so that the public has unbroken spaces to hike, hunt, and fish. The administration's highly strategic approach to using LWCF land acquisition funds includes the Collaborative LWCF initiative. This new program brings Federal agency staff together with local stakeholders to identify opportunities where LWCF funds can be used to achieve the most important shared conservation outcome goals in the highest priority landscapes. Conserving large scale landscapes provides multiple resource and economic benefits to the public including cleaner drinking water, recreational opportunities, reduced wildlife risks, protected habitat for at-risk and game species and jobs generated on and off these lands. The Collaborative LWCF program seeks to fund the best opportunities to leverage other Federal resources, along with those of non-Federal partners, to support conservation goals driven by the best science and a shared community vision for the landscape.

The Department has worked to identify LWCF investments which would: support simpler, more efficient land management; create access for hunters and anglers; create long-term cost savings; address urgent threats to some of America's most special places; and support conservation priorities that are set at the State and local level.

#### *Reduced Costs for Land Management*

LWCF funds would be used to acquire parcels that make it easier and less costly to manage existing public lands. Far from raising operating costs, the acquisition of inholdings can reduce maintenance and manpower costs by reducing boundary conflicts, simplifying resource management activities, and easing access to and through public lands for agency employees and the public.

#### *Access for Hunting and Fishing and Recreation*

Participants in the America's Great Outdoors listening sessions made it clear that access to our Nation's lands for all kinds of recreation—in particular hunting and angling—is a national priority. This LWCF request would fund strategic acquisitions that improve access to public lands for sportsmen and women.

#### *Economic Benefits for Communities*

Investing in healthy ecosystems pays off for the Federal Government, local communities and taxpayers. Timely acquisition of important natural areas today can help avoid much higher costs to taxpayers in future years by protecting water supplies, important species habitat, recreational and cultural sites, and other natural resources with economic value to the public.

#### *Protection From Urgent Threats*

LWCF funds are used to acquire lands that are in imminent danger from industrial or residential development. Civil War and Revolutionary War battlefields, for example, are the hallowed ground of our Nation's history; preserving these lands as parks for the American public prevents an irreparable loss.

#### *Supporting Local Priorities*

Federal acquisition projects are planned collaboratively with local stakeholders, and often depend on significant support of State or local government, or of locally based nonprofit partners. These partners sometimes act as intermediary landowners, holding land temporarily to protect it from development until the Federal Government can secure the funds to assume ownership.

#### PRICE'S DAIRY (VALLE DEL ORO NATIONAL WILDLIFE REFUGE)

*Question.* I know that you are a strong advocate of ensuring that residents of our cities and urbanized counties have access to outdoor recreation close to home and opportunities for healthy lifestyle.

With that in mind, I wanted to make sure you are aware of an ongoing Departmental priority project underway in the Albuquerque area that hits all those marks.

I am referring to the Price's Dairy project at Valle de Oro National Wildlife Refuge, the first urban refuge in the Fish and Wildlife Service's southwest region and one of the 50-State America's Great Outdoors (AGO) projects. This is a highly leveraged, truly locally driven project—one that the community has been working on for over 10 years. I am very pleased that the final funding needed to complete this project is included as part of the Department's fiscal year 2014 budget proposal. However, I would note that the landowner agreement expires in July 2014, so it is absolutely critical that the Department work with us to ensure that this project is completed along that timeline. I note that last year the project was ranked #5 on the agency's priority list, but this year it is ranked last at #18. Hopefully that is not an indication of flagging enthusiasm or lack of desire to get this project done.

Will you work with me to ensure this AGO project is completed this year?

Answer. Completion of the last phase of the Valle de Oro National Wildlife Refuge acquisition remains a Departmental priority project, and it is our intention to complete the project providing Congress appropriates enough funding for this acquisition. Funds would be used to acquire fee title to the final portion of this 570-acre refuge located along the El Camino Real de Tierra Adentro National Historic Trail, just a few miles from downtown Albuquerque.

The Valle de Oro refuge has received a huge outpouring of community support and the Service has maintained its support for the acquisition. To honor commitments made to the landowner, the community, and partners, the budget request includes \$6 million of Federal funds as part of the Collaborative Landscape Planning initiative to complete the project in fiscal year 2014.

#### BLM PILOT OFFICES

*Question.* In March I visited the Bureau of Land Management (BLM) office in Carlsbad, New Mexico, to learn about the importance of their status as a "Pilot Office." As you know, the 2005 Energy bill designated several pilot offices to receive extra resources to expedite permit processing and conduct much-needed environmental oversight. These offices are already understaffed and overworked, so I committed to ensure that this program would be reauthorized in 2015 when it expires. I am pleased to see in your budget proposal that you are proposing to reauthorize this successful authority. I am also pleased that you are proposing to build in more flexibility—for example, the ability to shift resources to offices like Carlsbad that are in the middle of a boom would be helpful. We'd want to be sure that the flexibility is fair, but I appreciate this option.

Can you provide any more details on what you expect to do and how we can work to ensure this happens?

Answer. The BLM would like to work with the Congress on language that would allow greater flexibilities nationwide to adjust permitting resources based on demand. There are many BLM field offices that are not part of the pilot project, but are receiving hundreds of Applications for Permit to Drill (APDs) per year. Of the 10 field offices that received the most APDs during fiscal year 2012, only 5 are currently designated as pilot project offices. For example, in fiscal year 2012, the Pinedale Field Office in Pinedale, Wyoming, received 325 APDs; the Bakersfield Field Office in Bakersfield, California, received 286 APDs; and the Oklahoma Field Office in Tulsa, Oklahoma, received 157 APDs. Although these offices have received high volumes of APDs, none are currently designated as pilot project offices. At the same time, some of the currently designated pilot project offices have received relatively few APDs in recent years; for example, the Miles City, Montana, Field Office received only 55 APDs in fiscal year 2012.

#### PARKS AND RIVER MANAGEMENT

*Question.* The Bureau of Reclamation's "Colorado River Basin Water Demand and Supply Study" does an excellent job of describing the challenges in meeting water supply needs, but it does very little to describe or assess the needs of the National Park Service to meet its obligations to protect its river ecosystems.

Most park units in the Colorado River basin and other river basins lack protection for the waters flowing through park boundaries and that in most cases, park units in the Colorado River basin and other river basins do not have management plans to provide for sound management of water resources within parks.

Is it possible to create a planning effort to ensure that the National Park Service (NPS) can substantively participate in policy discussions about water management that may have profound impact on national park resources?

Answer. The Office of the Secretary works collaboratively with the bureaus to ensure that water management planning is effective. The NPS has made recent strides



in this arena in the past few years, but many challenges remain to address the major concerns facing the Colorado River.

The NPS provides technical expertise through its Water Resources Division (WRD) to park units on water issues. WRD has been instrumental in conducting scientific studies and monitoring, participating in processes related to dam operations, negotiating tribal water issues, and working with States to protect flows in places such as Black Canyon of the Gunnison National Park. The NPS also has been active in multiagency processes such as the Upper Colorado River Endangered Fish Recovery Program. In 2001, the NPS created the Colorado River Basin Parks Program to better ensure effective coordination and active participation in multiagency and multistate efforts to protect park resources. These collaborative, multi-stakeholder efforts are overseen by a Steering Committee, Technical Committee, and a Colorado River Coordinator.

Currently, the NPS is working to address the scientific information gaps, strategic planning needs, and targeted issues within the basin such as aquatic invasive species.

The NPS regularly engages in planning efforts, such as invasive aquatic species management in Lake Mead and Glen Canyon National Recreation Areas, partnerships for flow management for Grand Canyon National Park, and monitoring of headwaters in Rocky Mountain National Park, which are designed to protect natural and cultural resources throughout the Colorado River basin, and to ensure continued outdoor recreational opportunities that are important to local and regional economies in the Western States. Though these plans were sufficient to respond to more localized past challenges, they lack the system-wide integration and detailed scientific data needed to effectively respond to more widespread current challenges. The Colorado River Basin Parks Program Steering Committee has identified research needs related to stream gaging, sediment transport, riparian vegetation, and aquatic communities necessary to inform management decisions that address many of these issues. Some of this data collection has begun and other projects will be instated as funds become available.

*Question.* How can the Department of the Interior ensure that the National Park Service is an active partner in water management decisions that impact Park Service resources?

*Answer.* The NPS has established itself well in the last several years as a collaborative partner and an active participant in several ongoing multiagency processes, including the WaterSMART program, which was established in 2010. WaterSMART allows all bureaus within the Department to work with States, Tribes, local governments, and non-governmental organizations to pursue a sustainable water supply for the Nation by establishing a framework to provide Federal leadership and assistance on the efficient use of water, integrating water and energy policies to support the sustainable use of all natural resources.

The NPS participates in on-going collaborative efforts regarding dam operations, including the development process of the Glen Canyon Dam Long Term Experimental and Management Plan, for which it is a co-lead with the Bureau of Reclamation. In developing the plan, the NPS and Bureau of Reclamation are re-operating the dam to achieve better compliance with the Grand Canyon Protection Act. The NPS also works with the coordination and healthy flows teams to support follow-up actions for the Colorado River Basin Water Demand and Supply Study.

This active participation has worked best when NPS staff has been engaged in discussions at the local level as well as at the Departmental level. For example, in the High Flow Experiment Planning for Glen Canyon Dam in 2010–2011, discussions were successful because of input and involvement of both the Assistant Secretary for Water and Science, and the Assistant Secretary for Fish and Wildlife and Parks. In addition, NPS is an active partner at both the local and Department level with respect to aquatic invasive species that impact both park resources and water management. As discussed in the response to the previous question, the NPS has a Division of Water Resources within the Natural Resource Stewardship and Science directorate, which includes technical experts on hydrology, wetlands, water rights, and water quality. These water resource professionals collaborate with the Department and its bureaus to ensure water management decisions include protection of National Park resources.

## QUESTIONS SUBMITTED BY SENATOR LISA MURKOWSKI

## KING COVE ROAD

*Question.* I worked with Secretary Salazar on the agreement involving the King Cove road reflected in the Secretary's memorandum of March 21. The Department, led by the Assistant Secretary for Indian Affairs, will take a second look at a land exchange in Izembek National Wildlife Refuge with the community of King Cove and the State of Alaska. Approval of the land exchange would allow a one-lane, gravel road to connect King Cove with the all-weather airport in Cold Bay. Under this agreement, the Interior Department will look at whether the Environmental Impact Statement (EIS) by the Fish and Wildlife Service adequately considered the importance of protecting the human health and safety of the residents of King Cove. The review will also include an evaluation of the Department's trust responsibilities, and Government-to-government consultations with local Aleut groups.

What is the status of this review?

*Answer.* Tribal consultation was held in King Cove on Friday, June 28, 2013, from 5:00–7:00 p.m. at the King Cove Community Center. Kevin Washburn, the Assistant Secretary for Indian Affairs, toured the King Cove area to assess the medical evacuation benefits of the proposed road and will provide the Secretary, following consultation with other Federal partners, with a written report that addresses the medical evacuation benefits of the proposed road as well as whether and to what extent the road is needed to meet the medical emergency requirements of King Cove.

*Question.* I am glad that you will visit King Cove prior to a final decision on this issue. I understand Assistant Secretary Washburn will be visiting comparatively soon. Can you tell me when you expect to reach a decision?

*Answer.* No specific time has been set for the Secretary to issue a final decision on the Izembek National Wildlife Refuge, Land Exchange/Road Corridor. The full Departmental record will be considered in rendering a final decision. The Secretary's final decision will be informed by:

- The U.S. Fish and Wildlife Environmental Impact Statement;
- The Assistant Secretary of Indian Affairs' written report to the Secretary that addresses the medical evacuation benefits and whether and to what extent the proposed road is needed to meet the medical emergency requirements of King Cove; and
- A site visit to King Cove by Secretary Jewell which is expected later this year.

## BUREAU OF OCEAN ENERGY MANAGEMENT/BUREAU OF SAFETY AND ENVIRONMENTAL ENFORCEMENT NEW ARCTIC REGULATIONS

*Question.* I understand that the Bureau of Ocean Energy Management (BOEM) is in the process of developing Arctic-specific regulations for the exploration and development of Alaska's Outer Continental Shelf (OCS) oil and gas resources. As you know, exploration has been delayed in large part because of the regulatory uncertainty surrounding oil and gas projects in the Arctic OCS.

What is the timeline for the development of these regulations?

*Answer.* The Department of the Interior (DOI), Assistant Secretary, Land and Minerals Management, directed BOEM and the Bureau of Safety and Environmental Enforcement (BSEE) to form a team of subject matter experts to improve safety standards for exploration, development, and production operations occurring in the Alaska OCS. The Department's goal is to have proposed Alaska OCS regulations published in the Federal Register by the end of 2013.

*Question.* Is it your intent to have these regulations in place in time for a 2014 drilling season?

*Answer.* We intend to have the regulations finalized before the 2014 drilling season. As part of the process, DOI held Listening Sessions to obtain public comments in Anchorage and Barrow, Alaska, on June 6 and 7, respectively. We anticipate developing a performance-based approach that will fully inform BOEM and BSEE how lessees plan to achieve safe operations under the operating conditions likely to be experienced while drilling and while transporting equipment into and out of the Alaska operating theater.

*Question.* Though ConocoPhillips and Statoil have announced that they will not pursue exploration programs in 2014, Shell has not made a similar announcement. How do you intend the new regulations to impact and/or be incorporated into Exploration Plans and Oil Spill Response Plans for 2014?

*Answer.* The focus of the new regulations is to improve safety planning early in the process of developing Exploration Plans (EPs) and Development and Production Plans (DPPs). In accordance with 30 CFR 550.202(b), EPs and DPPs must demonstrate the lessees have planned and are prepared to conduct proposed activities

in a manner that is safe. The regulations will emphasize the need for an integrated, overarching safety plan as a condition for approval of Alaska OCS operations. Each lessee will need to show BOEM and BSEE they are fully prepared to conduct the proposed activities, including mobilization and demobilization operations, in a manner that is safe and protective of the environment.

*Question.* I also understand that the Department is updating its regulations for the oil and gas air quality program to incorporate their new authority over the Arctic contained in the fiscal year 2012 Interior Appropriations bill, so I will ask the same questions as I did for the pending Arctic-specific regulations.

What is the timeline for the development of these regulations? Is it your intent to have these regulations in place in time for a 2014 drilling season? How will these regulations impact 2014 Exploration Plans?

*Answer.* BOEM and BSEE are already engaged in the development of the proposed Alaska OCS regulations. Public outreach efforts in the form of Listening Sessions were held in Anchorage and Barrow, on June 6 and 7, respectively. Public comments are also being accepted through Regulations.gov (docket number BOEM-2013-0035). BOEM and BSEE held more detailed meetings with industry, non-governmental organizations, the State of Alaska, local government, and Native Alaskans and Tribes in Anchorage on June 17 through 19. The purpose of these follow-up meetings was to obtain a more comprehensive understanding of concerns and criteria for consideration in the proposed rules. Comments will be used to develop the scope of the Alaska OCS regulations and identify appropriate issues applicable for BOEM and BSEE oversight to ensure safe and responsible oil and gas exploration, development, and production on the Alaskan OCS.

BOEM and BSEE will develop draft regulation language that addresses issues and goals identified during the comment period. The proposed Alaska OCS regulations will be published in the Federal Register, and stakeholder input will again be solicited. It is anticipated the draft rules will be published by the end of the year.

*Question.* How will the new regulations differ from the existing regulations? Will there be any difference in how the Department regulates air quality in the Gulf of Mexico versus in Alaska? If yes, why and how will the programs differ?

*Answer.* At this time, BOEM is still obtaining stakeholder input and reviewing existing regulations. Until this analysis is complete, it is not clear what, if any, differences in regulations between the regions will be needed. The bureau can provide more details as the draft rule is developed.

#### NATIONAL MARINE FISHERIES—ARCTIC OCS EIS

*Question.* BOEM has worked with the National Marine Fisheries Service (NMFS) on the EIS for the impacts of oil and gas activities in the Beaufort and Chukchi Seas. I continue to believe there are major problems with this document, including development alternatives that are not realistic and the lack of participation from relevant agencies.

The Fish and Wildlife Service expressly declined to participate in the EIS, yet the EIS still analyzes impacts to polar bears and Pacific walrus—species the Service has trust responsibility over. Why was this approach taken? Will these species be removed from the next draft? If not, please explain why not.

*Answer.* The Service declined to be a cooperating agency on the Arctic EIS in 2010 because it had recently completed an Environmental Assessment (EA) on the effects of oil and gas activities in the Chukchi and Beaufort Seas on polar bears and Pacific walrus in conjunction with issuing Marine Mammal Protection Act Incidental Take Regulations (ITRs). The potential effects of oil and gas activities on polar bears and Pacific walrus had been adequately addressed in the ITRs and effectively considered in the EAs. Additionally, other existing program commitments precluded the degree to which the Service could be involved. Instead, the Service offered to provide copies of these EAs and informal review and comment on the Draft EIS. Since then, the Beaufort Sea EA was updated in 2012 and the Chukchi Sea EA was recently updated in conjunction with finalization of the 5-year Chukchi Sea ITRs that are to be published in the Federal Register in the near future. These EAs are made publicly available. In addition, the Service is currently reviewing the Draft EIS and, as appropriate, will provide feedback to National Marine Fisheries Service.

Although the Service cannot speak on behalf of NMFS, the National Environmental Policy Act's procedures are intended to ensure that information about potential environmental impacts of an agency's proposed and alternative actions are made available and considered in the decisionmaking process and both the polar bear and Pacific walrus occur in the area of the Arctic EIS.

*Question.* The new draft also appears to cap each company to one drilling rig at a time per sea. This is inconsistent with Exploration Plans previously submitted and

approved by BOEM. Is it BOEM's intent to limit exploration in this way? If it is, what is BOEM's rationale for the change of course? (This would be extremely problematic given the short exploration season and would, at best, severely delay/restrict exploration and, at worst, lead to project abandonment.) If it isn't, will BOEM clarify this point in the next draft?

Answer. NMFS served as the lead agency for preparation of the Draft Supplemental EIS (SEIS), with BOEM as a formal cooperating agency, along with the North Slope Borough of Alaska. The purpose of the Draft SEIS is to analyze the potential environmental impacts of seismic and exploration activities for the purpose of informing NMFS's decisions regarding authorizations for the incidental take of marine mammals under the Marine Mammal Protection Act.

As for BOEM's intended use of the Draft SEIS, the information will be used, as appropriate, for environmental analyses to inform BOEM's own decisions for specific projects, just as other relevant information contained in National Environmental Policy Act (NEPA) documents is considered. Moreover, it is important to note that a NEPA document is not a decision document; it is merely an analysis of potential environmental impacts associated with particular activities.

The alternatives included in the Draft SEIS were prepared based on the best information available at the time for recent Federal and State lease planning, and recent industry plans, for both seismic surveys and exploratory drilling programs in the Beaufort and Chukchi seas. The seismic and exploration activities analyzed in the Draft SEIS are not limited to one drilling unit at a time per company. The alternatives analyzed in the Draft SEIS consider up to four drilling "programs" operating in each sea at one time. For analysis in the EIS, one "program" entails however many surveys or exploration wells a particular company is planning for that season. Each "program" would use only one source vessel (or two source vessels working in tandem) or drilling unit (i.e. drillship, jackup rig, SDC, etc.) to conduct the program and would not survey multiple sites or drill multiple wells concurrently.

*Question.* I was also surprised to see that the new draft appears to have no timeline—for example, the last draft covered a 5-year period, this draft does not. Is there precedent for an "infinite" environmental document? What was the rationale for an open-ended document? What would be the result if more operators pursue their leases than the alternative selected analyzes? How do you plan to ensure that this document is not a back door way to limit exploration in the Arctic?

Answer. A timeline is not relevant to the purpose of the document, which is to provide an analysis of the potential environmental impacts of a reasonable range of OCS activities.

Based upon past lease sales, geological and geophysical (G&G) permits, ancillary activity notices, exploration drilling exploration activities, and requests for incidental take authorizations, NMFS and BOEM have determined a reasonable range and level of activities for which permits and authorizations may be requested in the foreseeable future. While the level of activity proposed may vary from 1 year to the next, the action alternatives represent a reasonable range of exploration activities for which permits and authorizations may be expected. Also, the Draft Supplemental EIS does not serve as a decision document but rather is used to analyze possible environmental impacts associated with particular activities.

#### OIL/GAS DEVELOPMENT PUBLIC LANDS

*Question.* The budget request includes what it calls "Federal Oil and Gas Reforms." These consist of a host of changes in three areas—royalties, development of oil/gas leases, and improving the revenue collection process. They all share one thing in common—they will make our Federal lands less competitive to industry, which increasingly has other alternatives on State and private lands here in the United States, or globally. For example, you are proposing a \$6 per acre fee on non-producing leases even though it takes years to bring leases to production—usually because of permit or other regulatory delays caused by the Federal Government. You also propose "adjusting royalty rates" which I can only imagine means increasing them since you claim that these "reforms" will generate \$2.5 billion over the next 10 years for the Treasury.

On April 17 the House Resources Committee held a hearing comparing oil/gas production on State lands vs. Federal lands. One of the major differences they found was that it takes the BLM 307 days on average to approve a drilling permit—nearly double the time it took in 2005. On State lands, processing times are 12–15 days.

Won't increasing royalties, charging new inspection fees on top of the fee that you already charge for processing a permit, and a new fee on so-called "non-producing leases" only make our Federal lands less competitive compared to the States?

Answer. Federal oil and gas production is an important component in fulfilling our Nation's energy needs and the Department has an obligation to the public to ensure a fair return on that production. The Department deems the proposed changes necessary to ensure this fair return and do not believe they will make Federal lands less competitive compared to the States. Onshore Federal oil and gas royalty rates, which are currently 12.5 percent, are lower than most States' royalty rates. For example, Montana, Wyoming, Utah, and Colorado all have a royalty rate of 16.67 percent for State leases. North Dakota has an 18.75 percent royalty rate, and New Mexico has various rates that are as high as 20 percent.

The administration believes that American taxpayers should get a fair return on the development of energy resources on their public lands. We feel industry should pay the cost of inspecting and monitoring oil and gas activities, as is the case for other industries, including offshore oil and gas. This is consistent with the principle that the users of the public lands should pay for the cost of both authorizing and oversight activities.

The Department's intent behind the proposed fee on non-producing leases is to encourage more timely development of Federal lands. The fee will provide an incentive for oil and gas companies to either put their leases into production or relinquish them so the Department can re-lease those tracts to companies who want to develop them. Many States also have similar fees (e.g., escalating rental rates) to encourage development. Therefore, the Department does not believe the proposed changes will make Federal lands less competitive compared to the States.

*Question.* The Hill newspaper published an article on March 5 of this year where they cited a Congressional Research Service study that determined that while overall U.S. oil production has increased since 2007, oil development on Federal lands has dropped by 7 percent. For natural gas, overall U.S. production has increased by 20 percent between 2008 and 2012, but on Federal lands it has fallen by one-third. Instead of a host of new fees, shouldn't the Department be looking at ways to attract companies to Federal lands for oil/gas production? This would generate significant revenues to both the States and Federal Government.

Answer. The Congressional Research Service study shows that Federal onshore oil production increased by 16.3 percent from 284,900 barrels per day in 2008 to 331,500 barrels per day in 2012. Federal onshore gas production decreased slightly during that same period. The decrease in gas production was a result of lower gas prices and rising supplies of natural gas due to the development of unconventional shale gas. The largest unconventional shale gas discoveries are primarily on non-Federal land and are attracting a significant portion of new investment for natural gas development. This does not mean that Federal lands are no longer competitive for natural gas development. Indeed, companies continue to acquire thousands of Federal leases and permits annually for new natural gas production projects on Federal lands.

The Department has an obligation to the public to ensure a fair return on Federal oil and gas production. Even with the proposed changes, Federal leases will remain competitive with State leases and should not result in any significant reduction in interest and development of oil and gas on Federal lands. The proposed onshore and offshore reforms will generate roughly \$2.5 billion in net revenue to the Treasury over 10 years. Many States will also benefit from higher Federal revenue sharing payments as a result of these reforms.

#### NATIONAL WILDLIFE REFUGE FUND/PAYMENTS IN LIEU OF TAXES

*Question.* The National Wildlife Refuge Fund provides funds to local counties to offset the loss of tax receipts from Federal land ownership. Again this year, your fiscal year 2014 budget proposed to eliminate this \$14 million discretionary amount available to local governments across the country.

It seems to me that we should be creating fiscal certainty for local governments instead of cutting payments to them at a time when your Department has placed such a large emphasis on increasing Federal land ownership through LWCF.

I understand that the mandatory portion of this program will continue to go to local counties, but why are you proposing to eliminate the discretionary portion of the program again this year?

Answer. The Refuge Revenue Sharing Act, as amended, authorizes revenues and direct appropriations to be deposited into a special fund, the National Wildlife Refuge Fund (NWRFF), and used for payments to counties in which lands are acquired in fee (fee title) or reserved from the public domain (reserved land) and managed by the Service. These revenues are derived from the sale or disposition of (1) products (e.g., timber and gravel); (2) other privileges (e.g., right-of-way and grazing per-

mits); and/or (3) leases for public accommodations or facilities (e.g., oil and gas exploration and development) incidental to, and not in conflict with, refuge purposes.

Refuges have been found to generate tax revenue for communities far in excess of that which was lost with Federal acquisition of the land. In addition, Refuge lands provide many public services and place few demands on local infrastructure such as schools, fire, and police services when compared to development that is more intensive. National Wildlife Refuges bring a multitude of visitors to nearby communities and so provide substantial economic benefits to these communities.

The Refuge System welcomed more than 47 million visitors in fiscal year 2012, according to the Service's Refuge Annual Performance Plan. Hunters, birdwatchers, beach goers and others who spend time on refuges also bring money into local economies when they stay in local hotels, dine at local restaurants, and make purchases from local stores. Recreational spending on refuges generates millions of dollars in tax revenue at the local, county, State and Federal level. According to a report titled Department of the Interior Economic Contributions Fiscal Year 2011, in 2011 national wildlife refuges generated more than \$4.2 billion in economic activity and created more than 34,500 private sector jobs nationwide. In addition, property values surrounding refuges are higher than equivalent properties elsewhere. Importantly, in an increasingly urban world, these sanctuaries of natural beauty offer Americans priceless opportunities to connect with nature.

*Question.* Payments in Lieu of Taxes (PILT) payments, which compensate States and counties with large amounts of non-taxable Federal land, expire at the end of this fiscal year. While your budget proposes to extend the mandatory payments by a year, it does not identify any offset. Shouldn't we identify a concrete way to pay for this important program?

*Answer.* The President's budget proposes an extensive number of legislative proposals that result in savings in the next 10 years. Any of these proposals could be considered for potential offsets to extend the PILT program for fiscal year 2014. These proposals are identified on page 200 of the Mandatory and Receipts Proposals section (S-9) of the President's budget and a narrative explanation is provided by the Department of the Interior. Please refer to the following website links: <http://www.whitehouse.gov/sites/default/files/omb/budget/fy2014/assets/tables.pdf> and on page DO-20 <http://www.doi.gov/budget/appropriations/2014/highlights/upload/overview.pdf>.

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#### QUESTIONS SUBMITTED BY SENATOR THAD COCHRAN

*Question.* Increased production, particularly on the Outer Continental Shelf (OCS) in the Gulf of Mexico, would likely reduce our reliance on foreign oil and create much needed jobs.

What is the Department doing to make Federal offshore land available for exploration and development?

*Answer.* President Obama's call for a sustained, all-of-the-above energy strategy includes the expansion of responsible production of our domestic oil and gas supplies, including Federal lands. Since the President took office, America's dependence on foreign oil has decreased every year, and domestic oil and natural gas production has risen every year. In 2012, American oil production reached the highest level in two decades and natural gas production reached an all-time high. Combined with recent declines in oil consumption, foreign oil imports now account for less than half of the oil consumed in America.

The Bureau of Ocean Energy Management (BOEM) held the first two sales of the Five Year Program in the Gulf of Mexico in November 2012 and March 2013, which resulted in over \$1.3 billion in high bids on 436 new leases. A third lease sale, scheduled for this August, will offer 21 million acres offshore Texas, making all unleased acreage in the Western Gulf of Mexico available for leasing. BOEM's lease terms encourage prompt development and production and ensure that the American public receives fair market value for these shared resources. Lease sales conducted under the program include a modified minimum bid structure that BOEM has developed, after rigorous economic analysis, to encourage operators to invest in the OCS acreage that is most likely to lead to discoveries and production and reduce the amount of leased acreage that sits idle. BOEM will continue to use lease terms that incentivize industry to diligently and promptly operate their leases.

*Question.* National Fish Hatcheries across the Southeast generate millions of dollars in economic benefits through warm water fish production. In my State, we have the Private John Allen National Fish Hatchery, located in Tupelo, Mississippi, which is one of eight warm water fish hatcheries managed by the U.S. Fish and Wildlife Service. Despite the large contribution warm water fisheries have on na-

tional restoration efforts, the budget for fisheries located in the Southeast continues to decline. I have concerns about funding for warm water hatcheries.

What is your plan for these hatcheries in the future? Will a disproportionate amount of funding go to cool water fisheries at their expense?

Answer. To meet the needs of the American people in a changing social and economic climate, the National Fish Hatchery System (NFHS) has been proactive in implementing creative strategies for assessing, deploying, and managing its workforce to answer these types and other important and pressing questions. In December 2012, the Service initiated a review of 70 production hatcheries within the NFHS to ensure the Service is positioned to address the current and future aquatic resource needs of the United States.

—Geoffrey Haskett, the Service’s Alaska Regional Director and former Chief of the National Wildlife Refuge System (NWRS), led the review. He previously oversaw a similar exercise that helped the NWRS improve workforce and financial management.

—The NFHS review was precipitated, in part, by staffing and budget challenges at various hatcheries. With tight budgets, the Service must establish production goals for the highest priority species; determine the optimal number of hatcheries and employees to achieve those goals; and strive for a more balanced ratio of payroll to operational costs to achieve NFHS goals and support collaborative recovery and restoration programs.

—The review team is comprised of Fisheries Program leadership from all Service Regions and Headquarters. The team has collected and examined information about species produced, staffing levels and needs, organizational structure, operational budgets, and assets. The team used data gathered through previous programmatic reviews as the baseline for collecting up-to-date and comparable information.

—The review team is developing a report with funding scenarios and operations options that is expected to be complete by August 2013. The Service will use this information to make informed decisions about where to focus efforts given current, declining, or increasing budgets, and where operations would be reduced or expanded accordingly. The review will also help inform an evaluation of the Service’s vision for the future of its fisheries activities that the Sport Fishing and Boating Partnership Council is conducting. The Service will use the review team’s report and the Council’s recommendations to produce a strategic plan for the future.

—The Service strongly believes the steps taken now—together as an agency and with our partners—will help focus its efforts, make strategic investments, and better address current and future challenges. Above all, these steps will position the Service to proudly continue America’s fisheries legacy.

Last year, in response to a question I submitted for the record, the Department stated that most States and Tribes currently use the majority of their Historic Preservation Fund grant funds to carry out non-discretionary activities mandated by the National Historic Preservation Act.

Do you believe that the preservation and conservation activities previously carried out by the Save America’s Treasures (SAT) program were an important part of ensuring the protection of our Nation’s cultural heritage?

Answer. The National Historic Preservation Act (NHPA) states that it is the policy of the Federal Government to “contribute to the preservation of [ . . . ] pre-historic and historic resources and give maximum encouragement to organizations and individuals undertaking preservation by private means.” (16 U.S.C. 470–1). There are numerous ways in which the Federal Government can contribute to historic preservation, and the Save America’s Treasures program was one of these tools.

From 1999 to 2010, \$319.1 million was appropriated resulting in 1,287 grant awards. Matched dollar-for-dollar, these funds have leveraged approximately \$380 million in non-Federal investment and added over 16,000 jobs to local and States’ economies.

The SAT grants assisted 295 National Historic Landmarks (NHL), 28 properties located in and contributing to NHL Districts, over 250 buildings individually listed in the National Register of Historic Places (NRHP), over 70 properties located in and contributing to NRHP-listed historic districts, and 24 properties eligible for NRHP listing, as well as hundreds of nationally significant museum collections.

*Question.* Given that most States and Tribes have little funding from Historic Preservation Fund grants remaining after completing mandated activities, what is the Department doing to support bricks and mortar projects to preserve and protect nationally significant historic sites?

Answer. The grants-in-aid to States and Territories and grants-in-aid to Tribes funded through the NPS Historic Preservation Fund (HPF) account can be used for brick and mortar projects, and a small number of States do use a portion of the HPF allocation for this. A small amount of funding goes to bricks and mortar projects through the Tribal Heritage grant program and Japanese-American World War II Confinement Site Preservation program. Additionally, through the NPS's Technical Preservation Services office, the NPS develops historic preservation policy and guidance on preserving and rehabilitating historic buildings, administers the Federal Historic Preservation Tax Incentives Program for rehabilitating historic buildings, and sets the Secretary of the Interior's Standards for the Treatment of Historic Properties.

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QUESTIONS SUBMITTED BY SENATOR JOHN HOEVEN

*Question.* Which States, if any, do you believe do not have laws or rules regulating hydraulic fracturing?

Answer. States are free to regulate hydraulic fracturing as appropriate, with the exception that State regulations must meet the minimum requirements of any applicable Federal regulations. Some States have specific rules related to hydraulic fracturing, while others regulate the process solely under their general oil and gas permitting requirements.

States are not legally required to meet the stewardship standards applying to public lands and do not have trust responsibilities for Indian lands under Federal laws. The States that have regulated hydraulic fracturing do not uniformly require measures that would uphold the BLM's responsibilities for federally managed public resources, to protect the environment and human health and safety on Federal and Indian lands, and to prevent unnecessary or undue degradation of the public lands.

We would note that BLM is not an expert on the regulatory requirements of each State, and we understand that many States are in the process of reevaluating their regulatory requirements regarding hydraulic fracturing; thus, we recommend that the committee follow up with appropriate State officials for the latest information on their particular regulatory requirements and standards.

However, after conducting a search through regulations of various States, the BLM believes that the following States do not currently have specific hydraulic fracturing regulations in place: Connecticut, Delaware, Florida, Georgia, Hawaii, Iowa, Maine, Maryland, Massachusetts, Minnesota, Missouri, New Hampshire, North Carolina, Rhode Island, South Carolina, Tennessee, Washington, and Wisconsin.

In addition, our understanding is that the following States have banned the practice of hydraulic fracturing: New Jersey, New York, and Vermont.

SUBCOMMITTEE RECESS

Senator MURKOWSKI. With that, we stand recessed. Thank you.  
[Whereupon, at 12:44 p.m., Tuesday, May 7, the subcommittee was recessed, to reconvene subject to the call of the Chair.]



**DEPARTMENT OF THE INTERIOR, ENVIRONMENT, AND RELATED AGENCIES APPROPRIATIONS FOR FISCAL YEAR 2014**

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**WEDNESDAY, MAY 22, 2013**

U.S. SENATE,  
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,  
*Washington, DC.*

The subcommittee met at 9:31 a.m., in room SD-124, Dirksen Senate Office Building, Hon. Jack Reed (chairman) presiding.

Present: Senators Reed, Feinstein, Tester, Udall, Merkley, Begich, and Murkowski.

DEPARTMENT OF AGRICULTURE

UNITED STATES FOREST SERVICE

**STATEMENT OF TOM TIDWELL, CHIEF**

OPENING STATEMENT OF SENATOR JACK REED

Senator REED. Let me call the hearing to order. And as the first order of business, let me wish Senator Murkowski a happy 21st birthday.

Senator MURKOWSKI. Thank you.

Senator REED. Happy birthday.

I want to welcome all of our witnesses and my colleagues to the fiscal year 2014 hearing on the budget to the U.S. Forest Service (USFS). And on behalf of the subcommittee, let me particularly welcome Tom Tidwell, the Chief of the USFS. Thank you, Chief. You have been a great leader at the agency and someone we have enjoyed working with immensely.

I'd also like to welcome Barbara Cooper, the USFS acting Budget Director. Ms. Cooper, thank you very much for being here also.

The President's fiscal year 2014 budget request for USFS programs totals \$4.84 billion in discretionary spending. The request is \$62 million, or a 1-percent increase, more than the fiscal year 2013 enacted level.

Chief Tidwell, in reviewing your budget request, it's clear that there's a theme: making tough choices so that the agency can continue to fight wildland fires. The fire budget, as we spoke, seems to drive so much of the USFS.

Within the total amount provided, the budget request does include an increase of \$79 million for wildland fire management, for a total of \$2.046 billion, an increase of 3.5 percent.

In addition, the request provides level funding for the FLAME Fund, at \$315 million. However, that amount doesn't fully cover the increases that are needed within the fire program, including a \$65 million increase to fully fund the 10-year rolling average for fire suppression and a \$50 million increase to fund next-generation air tanker contracts to replace the 6-year-old P2 aircraft.

That means that your budget sustains some tough reduction to programs like Hazardous Fuels Reduction and State Fire Assistance.

I'm very concerned, as I know you are, Chief Tidwell, about the precedent that's been set with the fire budget. As the 10-year average goes up every year budgets are shrinking and the need to fight wildland fires is crowding out many worthy programs within your budget, as well as the budgets of other agencies in the Interior, Environment, and Related Agencies bill. Indeed, I note that under the President's fiscal year 2014 budget proposal, funding for USFS wildland fire programs alone exceeds the investment in clean water and drinking water infrastructure by more than \$450 million.

As critical as your fire programs are, it is a challenge to explain in my parts of the country, and my State included, why fighting these fires requires so much resources that takes away from desperately needed improvements and jobs in infrastructure all across the country.

We also need a much better strategy for paying for the cost of fires that exceed the 10-year average, something that has happened 9 out of the last 10 years. In the past, the Congress has been able, on a bipartisan and bicameral basis, to provide emergency supplemental funds to pay for disasters like wildfires in a timely way.

This past year, however, our colleagues in the House chose to add funds to pay for firefighting shortfalls within the overall discretionary appropriations cap rather than fund those needs as emergency spending. All told, we appropriated \$423 million to pay for these additional firefighting needs. And that's \$423 million that you have to find in other parts of your budget or we have to find in other parts of other agency budgets. These funds are important, but ultimately, as I suggest, other discretionary programs must pay for them.

How to improve our capacity to budget for catastrophic fires and other disasters is a theme that we'll be grappling with during this year's appropriation process and something I've discussed with Chairwoman Mikulski and something, Chief, that I'm sure we will talk together, along with the ranking member, to try to come up with a better way to proceed.

We cannot allow our obligations, and we do have to fight these fires and we do have to support local communities, to erode other investments that are equally important to the nation.

#### STATE AND PRIVATE FORESTRY

I would also like to discuss a proposal of the State and Private Forestry Programs, programs that are important to all States, including my home State. Overall, the request also includes a 5 percent cut to State and Private Forestry Programs, for a total of \$240 million. Within that amount, the budget does propose to allow States to compete for a new \$20 million landscape scale restoration

program. However, it does include a number of cuts to specific grant programs, including a \$7 million cut to the Urban Forestry Program, without offering a concrete vision of what States like Rhode Island, New York, New Jersey, and other urban areas have to do not only to participate, but also to get a more reasonable share of resources.

#### NATIONAL FOREST SYSTEM

The budget also requests \$1.56 billion for operations of the National Forest, which is a 1.5-percent increase more than the fiscal year 2013 enacted level. Within that amount, the administration is again proposing a major budget restructuring, consolidating three major programs to create a new \$757 million Integrated Resource Restoration Program.

As you know, Chief, the subcommittee has allowed you to move forward with a pilot program in three USFS regions to test this new restoration program. And my colleagues and I will all want to hear more about the progress that you're making on the ground as we consider your request to implement this program on a national scale. I expect we'll also want to hear more about the budget trade-offs that you're making to implement this proposal, including steep reductions to other operating programs like law enforcement and recreation, as well as other reductions to capital improvement projects.

Finally, there are a few other bright spots in the request that are worth noting. The budget does include a \$15 million investment to boost forestry research, for a total of \$310 million. We talked about that, and that's absolutely important. And the request includes a total of \$118 million for land acquisition, the Forest Legacy project, as part of the President's \$400 million proposal for discretionary Land and Water Conservation Fund (LWCF) programs. That amount is an 11-percent increase more than fiscal year 2013.

As my remarks suggest, Chief, we have a lot to discuss this morning. Thank you for being here, and let me now recognize my ranking member. I won't say "the birthday girl."

Senator MURKOWSKI. Thank you.

Senator REED. Senator Murkowski.

#### STATEMENT OF SENATOR LISA MURKOWSKI

Senator MURKOWSKI. Thank you, Mr. Chairman, and welcome, Chief. It's good to see you back here. We had a chance to talk during your testimony before the Energy Committee last month, so this is kind of a follow-on to that.

#### SECURE RURAL SCHOOLS

This morning, I'm going to focus my opening statement on an issue that stems from last year's Forest Service budget, and that's your decision in March to retroactively claw back these payments made to 41 States receiving Secure Rural Schools payments, including Alaska, because of the sequester.

I believe that this situation teaches a larger lesson about the failures of the agency's current forest management policy and how that is then reflected in your fiscal year 2014 budget.

On March 19, you sent the State of Alaska a letter demanding the repayment of \$826,000 in Secure Rural Schools funding. In response, our Governor Parnell sent a letter to you on April 28 refusing to pay back the funds, citing the lack of any legal authority offered by the USFS. And, Mr. Chairman, I have a copy of the Governor's letter that I would like to be included in the record.

Senator REED. Without objection.  
[The information follows:]

U.S. DEPARTMENT OF AGRICULTURE,  
FOREST SERVICE,  
Washington, DC.

Hon. LISA MURKOWSKI, *Ranking Member,*  
*U.S. Senate, Energy and Natural Resources Committee,*  
*Hart Senate Office Building, Washington, DC.*

DEAR SENATOR MURKOWSKI: Thank you for your letter of April 24, 2013, cosigned by Senator Ron Wyden, regarding the impact of sequestration on payments under the Secure Rural Schools Act.

To fulfill our commitment to rural communities, Secure Rural Schools payments were made on time in early January 2013, while the sequestration debate continued in Congress. Subsequently, the sequestration took effect, and agencies were required to implement it.

The Balanced Budget and Emergency Deficit Control Act of 1985 (BBEDCA), as amended, requires that sequestration be taken at the budget account level, and applied equally to each program, project, and activity (PPA) in those accounts. In the case of Secure Rural Schools, the relevant account is the Forest Service Permanent Appropriations account, which includes two PPAs for Secure Rural Schools: one comprising the fiscal year 2013 budget authority from receipts in fiscal year 2012 (the "receipts PPA"), and the other comprising additional fiscal year 2013 budget authority provided from the U.S. Department of the Treasury to cover the shortfall in receipts necessary to make the full Secure Rural Schools payments (the "Treasury payments PPA"). While funding for Secure Rural Schools payments is based on the level of receipts collected in fiscal year 2012, section 102(e) of the statute directs that the funds be paid after the end of the fiscal year. Therefore, it is budget authority for fiscal year 2013 subject to sequestration under BBEDCA.

In calculating the sequestered amount, BBEDCA repeatedly refers to the amounts for a "fiscal year" or "that year" (2 U.S.C. 901a). Thus, consistent with the application of sequestration across programs of the U.S. Department of Agriculture (USDA), and across the Government as a whole, the amount of the sequestration is based upon the full budgetary authority in the receipts PPA and the Treasury payments PPA for the entire fiscal year, not on the amount remaining available as of March 1, 2013, the date of the sequestration order.

Secure Rural Schools payments are made from both PPAs. The funding sources are not tied to a particular title, so for purposes of sequestration, it does not matter which title's funding stream is cut in order to meet the full sequestered amount, as long as the required reductions are taken from each PPA. USDA's goals in implementing sequestration have been to administer reductions in the most equitable and least disruptive manner possible. In this instance, USDA has determined that in order to ensure equity in the treatment of States, each State should take the same percentage reduction to Secure Rural Schools payments.

States can pay back the mandated sequestered amounts from their title I and title III money, or reduce title II allocations by the requisite amount where applicable. This approach best ensures equity and uniformity in the implementation of the reductions, as it applies the same percentage reduction to the payments for each State. We encourage the States that have the option to elect to have the Forest Service use title II funds to cover the sequestered amount, and thus avoid impacts to their schools and road funding and eliminate the need for repayment.

Regarding the assessment of interest, penalties, and administrative costs, the Forest Service will utilize existing Federal and Agency guidelines to waive these costs, where applicable. We are committed to working with you to mitigate the impacts of these actions on States and counties.

Again, thank you for your writing. A similar response is being sent to Senator Wyden.

Sincerely,

THOMAS L. TIDWELL,  
*Chief.*

STATE OF ALASKA,  
Juneau, AK, April 28, 2013.

Mr. THOMAS TIDWELL, *Chief,*  
*Forest Service, U.S. Department of Agriculture,*  
*Independence Ave. SW, Washington, DC.*

DEAR MR. TIDWELL: In a letter dated March 19, 2013, you advised that the mandated Federal budget reductions (sequester) apply to revenue generated in 2012 and paid in 2013 under titles I and III of the Secure Rural Schools and Community Self-Determination Act. Since the United States Forest Service has already made its payment to Alaska, you are seeking a repayment of the sequester percentage of 5.1 percent, which amounts to \$707,795.40 under titles I and III, as well as a withholding of \$118,536.50 (or 5.1 percent) of title II funds not yet allocated. You gave Alaska the option of having the total amount of \$826,331.90 reduced from the State's title II funds or having that sum collected from funds already disbursed under titles I and III.

On behalf of the proud forest communities that received fiscal year 2012 Secure Rural Schools aid in January of 2013, I maintain that neither the Balanced Budget and Emergency Deficit Control Act of 1985, as amended by the Budget Control Act of 2011, nor the Anti-Deficiency Act, authorize you to request repayment of title I and title III outlays. As such, I will not request the Alaska State Legislature consider such an appropriation.

Additionally, your letter cites no authority for the reduction of title II funds. The titles I and III funds have been allocated and used in accordance with the Federal law that authorized their disbursement. You have cited no valid authority for your retroactive efforts to have those funds repaid or offset.

This sequester dilemma highlights the continued failure of the United States Forest Service to successfully manage the nation's forests, especially the Tongass. I stand ready to discuss solutions to allow our forests to once again support healthy communities—not impoverish them.

Sincerely,

SEAN PARNELL,  
*Governor.*

Senator MURKOWSKI. The Governors of Alabama and Wyoming have since joined Governor Parnell for similar reasons.

I'd like to repeat, Chief, what I stated last month when we were in the Energy Committee. You have got to find a different path here that does not punish these struggling rural communities for the agency's failure to manage our Nation's forests. I'm going to be asking you today how you plan to respond to Governor Parnell and to the other States that have refused to pay.

Now, some might ask, "Why are you so upset? \$826,000, when you compare it to the millions, and really billions, that we're usually talking about here in Washington, the numbers seem relatively insignificant." But for me, this is pretty simple: I just can't go back to the superintendent of the schools in Wrangell, Alaska, because for him, these few thousands of dollars mean everything to him and his budget.

I think that this decision by the agency represents the latest in a long line of misguided Forest Service actions that have had a crippling impact on Southeast Alaska. Back in 1990, the region had more than 4,500 timber jobs, a vibrant wood products industry. Local communities at that time received 25 percent of the revenue generated from timber sales on the Tongass National Forest, and they used this appropriately for roads and schools. And there was no need for Secure Rural Schools funding.

#### TIMBER MANAGEMENT

Now, because of USFS policies, there are only about 300 logging jobs left, and the region must rely in part on mandatory payments

from the Federal Government to operate its schools. And sadly, just as Alaskans have learned that we can't rely on the USFS to provide a stable timber supply, now we can't even rely on the agency to send us the check that we're due and not demand part of that money back.

It's almost as though we're watching "Groundhog Day" all over again. Every year, you come before the Energy Committee. You come before this subcommittee. We pledge that we're going to work together on things. We're going to improve the timber sale program on the Tongass so we avoid losing what remains of the industry. I always describe it as folks just kind of hanging on by their fingernails. You agree. You know.

But then we come back, and it's a year later, and we're having the same conversation again. I think sometimes the script changes a little bit. Some years, it's litigation that's to blame. Other years, it's poor timber markets. This year, it's probably going to be tight budgets we're talking about or the impact of the sequester.

But one thing never changes. And that is the declining harvest in the Tongass. In 2008, at the beginning of this administration, the level was only 28 million board-feet. Last year, it was 21 million board-feet, near the all-time low of 19 million in 2007.

We talked, again, about the agency's plan for transitioning to second growth. And you know that I'm skeptical there. It's going to be years before these trees are mature and can support an annual sales program.

So I'm not encouraged by this year's budget request, which sets 2.4 billion board-feet as a target for the timber program nationally, when just last year you testified about ramping up to 3 billion board-feet as part of the agency's restoration strategy.

On May 2, I sent a bipartisan letter with 12 of my colleagues to the President, asking for him to reconsider these timber programs. And I know my colleague from Montana was involved with that.

So I want to be clear. I do support the agency's many programs that deal with recreation and with wildlife. But these objectives within that aspect of the Forest Service shouldn't come at the expense of managing our forests in a way that not only provides jobs, but lowers the fire risks that the chairman was talking about and really creates a more resilient environment. I think that's what your multiple-use mandate requires.

So I hope today that you can give me a reason to believe that we're not going to be sitting here again next year at these hearings with you talking about lack of timber supply on the Tongass and with an industry that is just barely able to get by. I want this year to be different. You've indicated that we're going to have an opportunity to visit with one another in Alaska. I look forward to that. But I think you and I would agree that we have some more business to be done.

I look forward to your answers here this morning and appreciate the courtesy of the Chair.

Senator REED. Thank you very much, Senator. And if anyone else would like to make a brief statement? Senator Tester.

Senator TESTER. Real quick, if I might. Thank you, Mr. Chairman, ranking member.

First of all, thank you for being here, Chief Tidwell. I appreciate the job that you do. You oftentimes are dealt a very tough hand, and you play the cards reasonably well, from my perspective. So, thank you for that.

Look. I don't need to tell you how important the USFS is in a State like Montana. You've been there, you've done that. The fact is we lost 1.3 million acres to fire last year, another million acres to beetle kill. We've got some issues as far as mitigation of catastrophic wildfires, as the chairman talked about, and how we're going to deal with that in the short term and the long term. I look forward to fleshing that out more as the questions go.

And I also look forward to working with you to give the USFS more tools, more tools to be able to manage these forests, manage them in a reasonable way, getting folks to work together from the ground up, making sure that the industry and environmentalists and the USFS and the Congress are all on the same page.

Thank you for your work. I look forward to the questions.

Senator REED. Any of my other colleagues? Senator Merkley, please.

#### WILDLAND FIRE MANAGEMENT

Senator MERKLEY. Thank you, Mr. Chair, and I'll expand during the question period. But we had a fire the size of Rhode Island last year in Oregon. We had the worst fire season, you know, in 100 years. We lost a lot of rangeland, a tremendous amount of timber. And we're in a situation where the same time that's going on, and largely because of the buildup of hazardous fuels, we're looking at a proposed budget that cuts the hazardous fuels reduction in half.

Yet everyone after these fires said, "We've got to get in there and get more of these hazardous fuels out. We've got to operate on a 15-year cycle to be ahead of the 20-year fire cycle, not a 30-year cycle." And instead we're looking at a 60-year cycle.

The fires that start on public lands then move onto private land create an intolerable situation for our private landowners and huge damage to the public-trusted lands. So it's extremely troubling, the budget as it's laid out. I know that you're operating with limited resources and that it's a huge challenge. But somehow, we've got to figure out a way not to just be trying to mop up fires after they happen, but to manage the forests well on the front end.

Senator REED. I believe no more of my colleagues have opening statements. If that's the case, Chief Tidwell, please, your statement.

#### SUMMARY STATEMENT OF TOM TIDWELL

Mr. TIDWELL. Mr. Chairman, members of the subcommittee, it's a privilege to be here again today to discuss the President's fiscal year 2014 budget request for the Forest Service. I cannot thank you enough for the support from the subcommittee over the years. I continue to look forward to working with you to do what we can to provide what the public wants and needs from their National Forests and Grasslands.

The President's budget reflects our commitment to strategic investments that are needed to grow the economy while exercising fiscal restraint. The budget does make some very difficult tradeoffs

between key programs. It does this by focusing on the economic growth for rural America, including the 450,000 jobs that are supported from activities on our National Forests and Grasslands.

Now, through three key objectives, I believe this budget request is a good investment for the economic growth in rural America. The first part of that is it will get us back on track with our accelerated restoration strategy to restore and sustain our national forests and to be focused on 65 million to 82 million acres that need some form of restoration.

It will do this by requesting full funding through our collaborative forest restoration fund. It will also request permanent authorization for stewardship contracting that is a tool that provides certainty so that private entities can invest in the wood products industry. It also will allow us to expand the use of landscape scale analysis so we can look at hundreds of thousands of acres at one time, determine the restoration activities that need to occur, and be able to cover that analysis with one EIS.

It also asks for an additional \$13 million in research that is dedicated to increasing the markets for wood through USDA Green Building Initiative, our Wood Energy Initiative, and also our research into nanotechnology.

The second key objective deals with fire. This budget request provides a level of preparedness that will continue our success to suppress 98 percent of wildland fires during initial attack. It does also request an increase from fiscal year 2012 to what we're requesting of \$138 million in suppression to fulfill our agreement to meet the 10-year average.

It also will continue to reduce the threat of wildfires to homes and communities by reducing hazardous fuels on approximately 685,000 acres of the highest priority acres in the wildland-urban interface. And, it also requests an additional \$50 million to modernize our large airtanker fleet.

The third objective is to continue with our focus on America's Great Outdoors Initiative, which will help support community-based conservation, provide opportunities for economic expansion to retain and create jobs by first providing the recreational opportunities that support the 166 million people that visit the National Forests and Grasslands. And it's through their activities, their economic activities that support more than 200,000 jobs.

Also, we want to focus on getting more volunteers out to be connected to help us to do the work, but also to increase their connection with the outdoors and also expand our Youth Conservation Corps to provide more opportunities for employment with our youth to be outdoors, understanding the benefits of working in conservation.

It also requests an increase in LWCF funding. This is based on what we hear from the public throughout this country about the strong support for the need for us to acquire those small parcels of land that are critical in-holdings to make sure that we're providing the habitat that is necessary to support species, but to provide recreational access. In every case where we're acquiring land, it always reduces our administrative costs of managing that part of the National Forest.



## STATE AND PRIVATE FORESTRY

Now, we're going to continue to work with the States through our State and Private Forestry Programs to promote conservation and to keep private forests forested. We also will encourage biomass utilization and other renewable energy opportunities while working to process oil and gas permit applications and energy transmission proposals much more effectively and efficiently.

## SECURE RURAL SCHOOLS

Our budget request also proposes a framework for reauthorization of the Secure Rural Schools Act. In addition to these three key objectives, we're going to continue our focus on reducing our administrative costs by increasing our operational efficiencies. So over fiscal year 2013 and fiscal year 2014, we're going to reduce our overhead costs by another \$100 million. We're going to continue to focus on creating efficiencies in our processes.

For instance, when it comes to doing the environmental analysis and sale preparation for timber sales, since 1998, funding has been reduced by \$185 million when it's adjusted for inflation. Our staff has been reduced by 49 percent. But during the same time, we have reduced the unit cost by 23 percent.

The other thing we'll continue to focus on is doing the best job we can to deal with wildfire. Where we will continue to have 98 percent success on initial attack, for those large fires that escape initial attack we're going to continue to use our science, our experience, and our expertise to reduce those suppression actions that are unnecessary and not effective. By doing this last year, we reduced costs by avoiding unnecessary risks by \$377 million.

## NATIONAL FOREST SYSTEM

Our goal is to increase the collaborative efforts to encourage greater public involvement and management of the public National Forests and Grasslands. To maintain and restore healthy landscapes, we need to take care of the ecosystems. We also need to support healthy, thriving communities and provide jobs in rural areas.

Mr. Chairman, thank you again for the opportunity to address this subcommittee, and I look forward to answering your questions. [The statement follows:]

## PREPARED STATEMENT OF TOM TIDWELL

Mr. Chairman and members of the subcommittee, thank you for inviting me here today to testify on the President's budget request for the United States Forest Service (USFS) for fiscal year 2014. I appreciate the support this subcommittee has shown for USFS in the past, and I look forward to continuing to work together with members of the subcommittee 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 this goal while demonstrating both fiscal restraint and efficient, cost-effective spending.

Our Nation can and should take steps to make Government more effective and more efficient in the 21st century. The fiscal year 2014 budget that the President is proposing reflects the difficult choices we need to make to reduce spending while investing in long-term economic growth and job creation. To make the strategic investments needed to grow the economy while exercising fiscal restraint, this budget makes difficult tradeoffs between programs. It also reflects efficiency and improve-

ments to reduce our administrative costs. It is designed to appropriately fund many of the programs that matter to Americans.

#### VALUE OF THE UNITED STATES FOREST SERVICE

Our mission at USFS is to sustain the health, diversity, and productivity of the Nation's forests and grasslands to meet the needs of present and future generations. The mission includes helping Americans use and enjoy the lands and waters that belong to them as citizens of the United States. USFS manages a system of national forests and grasslands on an area almost twice the size of California—193 million acres in 44 States and Puerto Rico. These lands entrusted to our care provide some of the richest resources and most breathtaking scenery in the Nation, as well as drinking water for millions of Americans.

As the Nation's leading forestry organization, we also serve Americans in other ways. USFS was founded in 1905 to stop the degradation of watersheds and manage the lands for the benefit of all Americans. To that end, in addition to the National Forest System, agency programs support the sustainable stewardship of more than 600 million acres of forest land across the Nation, including 423 million acres of private forest land, 68 million acres of State forest land, 18 million acres of Tribal forests, and 100 million acres of urban and community forests.

In addition, we maintain the largest forestry research organization in the world, with more than a century of discoveries in such areas as wood and forest products, fire behavior and management, and sustainable forest management. In an age of global interconnectedness, we also support the sustainable stewardship of forests around the world; we have served people in more than 80 countries, which have direct benefits to the American forestry economy through marketing American forest products and invasive species prevention.

America's forests, grasslands, and other open spaces are integral to the social, ecological, and economic well-being of the Nation. The benefits from Forest Service programs and activities include jobs and economic activity, especially in rural areas where other sources of employment and economic growth might be few. In fiscal year 2011, for example, the various activities on the National Forest System contributed more than \$36 billion to America's gross domestic product, supporting nearly 450,000 jobs.

The most popular uses of the national forests and grasslands are associated with outdoor recreation. Our increasingly diverse visitor population engages in activities such as camping, picnicking, snowmobiling, cross-country skiing, equestrian use, firewood and forest product gathering, all-terrain vehicle riding, skiing, snowboarding, hunting, fishing, hiking, wildlife viewing, driving for pleasure, and visiting cultural sites and visitor centers. The national forests and grasslands attract about 166 million visits per year, supporting about 205,000 jobs and contributing \$13.6 billion to the Nation's gross domestic product each year. Fifty-five percent of our visitors engage in a strenuous physical activity, contributing to their health and well-being.

Noncommercial uses of forest and grasslands also provide vital benefits to the American people. For example, more than one-half of our Nation's freshwater flows from public and private forest land, and about 60 million Americans rely on drinking water that originates on the National Forest System. Forest Service land management, combined with USFS assistance to private landowners, helps protect the single greatest source of drinking water in the Nation.

USFS's creation of jobs and economic opportunities is not limited to rural areas. Through Job Corps and other programs, we provide training and employment for America's urban youth, and we help veterans transition to civilian life. Our Urban and Community Forestry Program has also provided jobs and career-training opportunities for underemployed adults and at-risk youth through activities such as tree care and riparian corridor restoration.

We also engage a wide range of partners who contribute to investments in land management projects and activities. In fiscal year 2012, we entered into more than 7,700 grants and agreements with partners who contributed a total of about \$535 million in cash and non-cash (in-kind) contributions. Combined with our own contribution of nearly \$779 million, the total value of these partnerships was over \$1.3 billion. The growing value of grants and agreements demonstrates the increasing importance of partnerships in fulfilling the USFS mission.

Forest landowners of all kinds benefit from our forest-related research, as does anyone who buys products made from wood. For example, USFS scientists have developed a free software application that helps people identify invasive plants and provides control recommendations. Our research and development bring all kinds of benefits to the American people, improving their quality of life.

More than 50 percent of the Nation's forests—more than 420 million acres—are privately owned. Working with the State Foresters, we help State forest managers and private forest landowners manage America's working forests sustainably. Through our Forest Health Management program, for example, we monitor and assess forest health conditions on all lands nationwide, both public and private, tracking outbreaks of insects and disease and providing funds for treating areas at risk.

In February 2011, President Barack Obama launched the America's Great Outdoors Initiative, setting forth a comprehensive agenda for conservation and outdoor recreation in the 21st century. The initiative challenges the American people to work together to find lasting conservation solutions, based on the premise that protecting America's natural heritage is a goal shared by all. In tandem with the President's initiative, Secretary of Agriculture Tom Vilsack outlined an all-lands vision for conservation. He called for partnerships and collaboration to reach shared goals for restoring healthy, resilient forested landscapes across all landownerships nationwide.

Our fiscal year 2014 budget request is accordingly designed to help us work with partners across borders and boundaries to invest in America's green infrastructure at a landscape scale. Our focus on landscape-scale conservation dovetails with broader administration priorities, including the President's America's Great Outdoors Initiative, the Secretary's "all-lands" vision, and the Department of Agriculture's priority goal of enhancing water resources. Our goal at USFS is to ensure the ability of our Nation's forests and grasslands to deliver a full range of jobs and benefits, both now and for generations to come.

#### CHALLENGES TO CONSERVATION

Our Nation's ability to protect its forest and grassland resources is now at risk due to drought, invasive species, and uncharacteristically severe wildfires and outbreaks of insects and diseases. Such stresses and disturbances are affecting America's forests, grasslands, and watersheds on an unprecedented scale. Twenty-seven percent of all forest-associated plants and animals in the United States, a total of 4,005 species, are at risk of extinction. Habitat degradation is the main reason—affecting 85 percent of all imperiled species. Many species are also threatened by nonnative invasive species, which affect 49 percent of all imperiled species.

Although biodiversity is exceptionally high on the national forests and grasslands, habitat degradation and invasive species remain serious threats. We estimate that watershed functionality is impaired or at risk on 48 percent of the watersheds on National Forest System lands. Severe outbreaks of western forest pests have affected 32 million acres on the national forests alone. Between 65 million and 82 million acres are in need of fuels and forest health treatments—up to 42 percent of the entire National Forest System.

Part of the problem is severe drought, resulting in extreme fire weather, very large fires and longer fire seasons. Since 2000, at least 10 States have had their largest fires on record, and some have had their records broken more than once. In 2000, for the first time since the 1950s, more than 7 million acres burned nationwide; and in 2012, more than 9 million acres burned.

The spread of homes and communities into areas prone to wildfire is an increasing management challenge. From 2000 to 2030, we expect to see substantial increases in housing density on 44 million acres of private forest land nationwide, an area larger than North and South Carolina combined. More than 70,000 communities are now at risk from wildfire, and less than 15,000 have a community wildfire protection plan or an equivalent plan.

A growing proportion of the USFS budget has been needed for fire-related activities of all kinds. In fiscal year 1991, for example, fire-related activities accounted for about 13 percent of our total budget; by fiscal year 2012, it was 40 percent. That has left a smaller amount of funding for nonfire purposes (watersheds, wildlife, recreation, and other benefits and services). With increasingly limited funding, we need to approach our work differently.

#### BUDGET REQUEST AND FOCUS AREAS

The fiscal year 2014 President's budget request is designed to meet the challenges we face. The President's proposed overall budget for discretionary funding for the Forest Service in fiscal year 2014 is \$4.9 billion. It shifts \$62 million from key programs to meet the requirement to fund the 10-year rolling average of fire suppression costs.

In response to the challenges we face, we are focusing our efforts on three key areas:

- restoring ecosystems;

- strengthening communities while providing jobs; and
- managing wildland fires.

In these tough economic times, our proposed budget balances spending on priorities in each of these three focus areas against measures to decrease costs. Through strategic partnerships, we will continue to leverage our funds to accomplish more work, yielding more benefits for the people we serve while also sustaining forest and grassland ecosystems for future generations.

#### RESTORING ECOSYSTEMS

Our approach to ecological degradation is to accelerate ecological restoration. USFS is restoring the ability of forest and grassland ecosystems to resist climate-related stresses, recover from climate-related disturbances, and continue to deliver the values and benefits that Americans want and need. Reforestation, habitat enhancements, invasive species control, hazardous fuels treatments, and other measures can help to make an ecosystem more resilient and more capable of delivering benefits, such as protecting water supplies and supporting native fish and wildlife. Our budget request for fiscal year 2014 is specifically designed to support integrated restoration efforts across USFS.

Through Integrated Resource Restoration, land managers are accelerating the pace of restoration and job creation, in part by using USFS's Watershed Condition Framework to identify high-priority watersheds for treatment. Managers use Integrated Resource Restoration to integrate activities such as hazardous fuels reduction, road decommissioning, and removal of barriers to fish passage. Outcomes include reducing risk from fire, insects, and diseases; maintaining clean drinking water for communities; and supporting more local jobs and economic opportunities. For example, in fiscal year 2012 through our overall efforts we treated almost 2.6 million acres to sustain or restore watershed function and resilience. Under the pilot program, through restoration activities we treated almost 800,000 acres. We propose fully implementing Integrated Resource Restoration across USFS in fiscal year 2014.

The growing need for restoration-related work and investments on the National Forest System is providing jobs and community benefits. The Collaborative Forest Landscape Restoration Program was created in 2009 to restore high-priority forested landscapes, improve forest health, promote job stability, create a reliable wood supply, and reduce firefighting costs across the United States. After the program was created, the Secretary of Agriculture evaluated collaboratively developed project proposals, selecting 20 large-scale projects for 10-year funding, along with three additional high-priority projects for funding from other sources. They support an array of restoration activities, including reducing hazardous fuels, restoring watershed function and resilience, and improving forest vegetation and wildlife habitat. Continued implementation of these projects is a high priority in our fiscal year 2014 budget request. For example, the 23 projects under this program have created or maintained approximately 7,500 jobs over the last 2 years and generated almost \$272 million in labor income. They have also reduced the danger of fire on more than 600,000 acres near communities and enhanced clean water supplies by remediating or decommissioning 6,000 miles of roads.

USFS is creating partnerships across the country to help protect water by reducing the risk of fire in municipal watersheds that provide communities with water for drinking and other uses, such as irrigation, fisheries, and recreation. To help leverage our funding, we are proposing a new program for Restoration Partnerships in fiscal year 2014. The program will foster some of the most advanced public-private partnership initiatives in the Federal Government, leveraging new outside resources to support USFS's restoration efforts. Most funding under the new program will go to support cost-share projects that will be competed for at the national level to attract matching financial support from partners.

Another USFS program with a restoration emphasis is Forest Health Management. Under the program, we conduct risk mapping and surveys to identify the areas at greatest risk from insects and disease, including invasive species such as emerald ash borer and white pine blister rust. In identifying the areas at greatest risk and deciding on how to respond, we work with the States, in part by utilizing the State Forest Action Plans to help inform response decisions.

USFS is finalizing directives for implementing the new National Forest System Land Management Planning Rule governing how land management plans are written for the national forests and grasslands. Half of all units on the National Forest System have plans that are more than 15 years old. Successful forest plan revisions are key to meeting the Forest Service's contemporary land management challenges. The new 2012 Planning Rule will help land managers focus on collaborative water-

shed restoration while promoting jobs and economic opportunities in rural communities.

In concert with the President's America's Great Outdoors Initiative and Secretary Vilsack's all-lands vision for conservation, the Forest Service has launched an initiative to accelerate restoration across shared landscapes. The Accelerated Restoration Initiative builds on Integrated Resource Restoration, the Collaborative Forest Landscape Restoration Program, the Watershed Condition Framework, the 2012 Planning Rule, and other restoration-related programs and initiatives to increase the pace of ecological restoration while creating more jobs in rural communities.

USFS is supporting accelerated restoration through our programs in Research and Development. We have seven high-priority research areas, including Watershed Management and Restoration, which is designed to support our focus on protecting and enhancing water resources. In our Bioenergy and Biobased Products research area, we are developing technology to sustainably produce woody biomass and convert it into liquid fuels, chemicals, and other high-value products. In partnership with the wood products industry, we are also developing science to commercialize nanocellulosic technologies to generate new high-value products such as durable composites and paper that is stronger and lighter. This will revolutionize technology to create new jobs and revenues and help restore America's economy through industrial development and expansion.

We are also pursuing longer term strategic research. For example, sustainable forest management is predicated on decades of data on forest conditions collected through our Forest Inventory and Analysis program. We conduct long-term research in such areas as forest disturbances, the effects of climate change, fire and fuels, invasive species, wildlife and fish, and resource management and use to meet local needs. In all of our research, we are committed to delivering new knowledge and technologies to support sustainable forest and grassland management.

#### STRENGTHENING COMMUNITIES AND PROVIDING JOBS

Our fiscal year 2014 budget request emphasizes the role that communities play in sustaining the forests and grasslands around them and the benefits they provide. Working with State and local partners, we are focusing on landscape-scale outcomes through cross-boundary actions including forestry projects identified through the State Forest Action Plans. Accordingly, we propose building on our State and Private Forestry Deputy Area Redesign initiative through a new program called Landscape Scale Restoration. Our new program will capitalize on the State Forest Action Plans to target the forested areas most in need of restoration treatments while leveraging partner funds.

We also work with the States through our Forest Legacy Program to identify forests critical for wildlife habitat and rural jobs. Through the program, we provide working forests with permanent protection by purchasing conservation easements from willing private landowners.

In a similar vein, and supporting the President's America's Great Outdoors Initiative, our Land Acquisition program is designed to protect critical ecosystems and prevent habitat fragmentation by acquiring inholdings on the National Forest System and other lands where we can improve public access. We are working in collaboration with the Department of the Interior to leverage our joint investments by coordinating our efforts to protect intact, functioning ecosystems across entire landscapes. We propose transferring \$177 million in discretionary and mandatory funding from the Land and Water Conservation Fund to support these goals.

The Forest Service also engages urban communities in protecting and restoring America's 100 million acres of urban and community forests. For example, we are working with 10 other Federal agencies in the Urban Waters Federal Partnership, designed to restore watersheds in urban areas. Through our Urban and Community Forestry program, we are benefiting communities by helping them to plant trees, especially through demonstration projects. Through our Conservation Education programs, we are engaging millions of children and their families in outdoor experiences.

In addition, we are helping communities acquire local landscapes for public recreation and watershed benefits through our Community Forestry and Open Space program. Our goal is to help create a Nation of citizen stewards committed to restoring the forests around them to health.

Our community focus supports the President's America's Great Outdoors Initiative to achieve landscape-scale restoration objectives, connect more people to the outdoors, and support opportunities for outdoor recreation while providing jobs and income for rural communities. Building on existing partnerships, establishing a 21st century Conservation Corps will help us to increase the number of work and train-

ing opportunities for young people and veterans through high-priority conservation and restoration work on public lands. To engage communities in conserving the lands around them, the Forest Service is building public-private partnerships that leverage new resources to support USFS's restoration goals. Our new Restoration Partnerships program features national competitive grants to support local restoration projects, with matching funds from partners.

We are also building public-private partnerships through our Sustainable Recreation Framework. Many economic opportunities and other community benefits generated on the national forests and grasslands are associated with outdoor recreation. Through the Sustainable Recreation Framework, we are engaging communities to protect and increase recreational access as well as jobs, benefits, and opportunities associated with outdoor recreation.

Our associated Trails program designates trails for multiple uses, consistent with our travel management rule, while building partnerships in trail stewardship. Our Roads program is designed to maintain forest roads and bridges to protect public safety and water quality while meeting access needs for both resource stewardship and the recreating public. Our Facilities program promotes the safe and energy-efficient use of agency infrastructure while emphasizing cost-effectiveness and a smaller environmental footprint through the use of green building techniques and materials.

#### MANAGING WILDLAND FIRES

Our restoration efforts are partly in response to growing fire season severity, one of the greatest challenges facing the Forest Service. We continue to suppress in initial attack at very small sizes up to 98 percent of the fires we fight. However, the few fires that escape initial attack tend to get much larger much faster. Extreme fire behavior has become far more common. Firefighters are largely limited to protecting certain points around homes and communities.

In 2009, the Congress passed the Federal Land Assistance, Management, and Enhancement (FLAME) Act, calling on Federal land managers to develop a joint wildland fire management strategy. Working with the Department of the Interior, USFS took the opportunity to involve the entire wildland fire community in developing a joint long-term National Cohesive Wildland Fire Management Strategy.

This strategy is the product of a collaborative effort between wildland fire organizations, land managers, and policy making officials representing Federal, State, and local governments; Tribal interests; and nongovernmental organizations that builds on the successes of the National Fire Plan and other foundational documents. Phase I was completed in 2011 and outlines the national strategy to address wildland fire issues across the Nation. Phase II was completed in 2012 and provides a risk based framework for evaluating local, regional, and national alternatives for wildfire response and preparedness at a mix of different temporal and geographic scales.

Our new strategy has three components:

—*Restoring Fire-Adapted Ecosystems.*—More than 1,000 postfire assessments show that fuels and forest health treatments are effective in reducing wildfire severity. Accordingly, our fuels treatments have grown; from 2001 to 2011, USFS treated about 27.6 million acres, an area larger than Virginia. We focus our treatments on high-priority areas in the wildland/urban interface, particularly near communities that are taking steps to become safer from wildfire, such as adopting the national Firewise program or developing community wildfire protection plans.

—*Building fire-adapted human communities.*—With more than 70,000 communities at risk from wildfire, USFS is working through cross-jurisdictional partnerships to help communities become safer from wildfires, for example by developing community wildfire protection plans. Through the Firewise program, the number of designated Firewise communities—communities able to survive a wildfire without outside intervention—rose from 400 in 2008 to more than 700 in 2012.

—*Responding appropriately to wildfire.*—Most of America's landscapes are adapted to fire; wildland fire plays a natural and beneficial role in many forest types. Where suppression is needed to protect homes and property, we focus on deploying the right resources in the right place at the right time. Using decision support tools, fire managers are making risk-based assessments to decide when and where to suppress a fire—and when and where to use fire to achieve management goals for long-term ecosystem health and resilience.

Hazardous fuels reduction is an important part of protecting communities and infrastructure in the wildland/urban interface, and the materials removed can often be utilized as biofuels. Our Hazardous Fuels program therefore supports grants and

other forms of assistance for wood-to-energy initiatives. We fund business plans and feasibility studies that help make a project more competitive for other sources of funding; we provide technical assistance to support project development or improve air quality, and we help develop financially viable approaches for building and sustaining facilities that convert wood to energy.

In fiscal year 2014, USFS will work with municipal water providers and electrical service utilities to leverage our funds for fuels and forest health treatments. For example, our new Restoration Partnerships program will support public-private partnerships for investing in projects to protect water supplies on the Colorado Front Range and elsewhere. Our Hazardous Fuels program complements activities conducted through Integrated Resource Restoration and the Collaborative Forest Landscape Restoration Program to reduce fuels, protect communities, and restore forested landscapes. Contracted services for fuels reduction provides jobs, as do the forest products and woody biomass utilization activities that result from fuels reduction and removal.

Our budget request for fiscal year 2014, taking the Suppression and FLAME line items together, fully covers the 10-year rolling average of annual amounts spent on suppression. Taken together with the Preparedness line item, our budget request reflects our emphasis on assessing strategic risks and improving operational decision-making for responding to wildland fires, including using fire, where appropriate, for resource benefits. Our efforts are expected to result in more effective and efficient use of Forest Service resources as well as the resources of our partners.

Airtankers are a critical part of an appropriate response to wildfire, but USFS's fleet of large airtankers is old, with an average age of more than 50 years. The cost of maintaining them is growing, as are the risks associated with using them. USFS is implementing a Large Airtanker Modernization Strategy to replace our aging fleet with next-generation airtankers. Our fiscal year 2014 budget request includes \$50 million to pay for the increased costs of modernizing the firefighting airtanker fleet. This is in addition to the \$24 million requested in the fiscal year 2013 budget for a total of \$74 million proposed over the last 2 years to further enhance the agency's ability to fight wildland fire.

#### COST SAVINGS

Since 2011, USFS has conducted more than a thousand postfire assessments in areas where wildfires burned into previously treated sites. In 94 percent of the cases, our fuels and forest health treatments were determined to have changed fire behavior and/or helped firefighters control the fire.

The Forest Service is also taking steps in other areas to cut our operating costs. For example:

- Taking advantage of new technologies, we have streamlined and centralized our financial, information technology, and human resources operations to gain efficiencies and reduce costs. We will continue to work together with other USDA agencies under the Blueprint for Stronger Services to develop strategies for key business areas to provide efficiencies.
- For the same reasons, we have integrated work across our deputy areas for National Forest System, State and Private Forestry, and Research and Development. For example, all three deputy areas have collaborated to develop the Southern Forest Futures project—the first comprehensive analysis of the future of Southern forests over the next 50 years.
- In fiscal year 2012, we began implementing a new Planning Rule that will reduce the length of time it takes to revise management plans, saving costs. We are also saving costs by streamlining our environmental review process under the National Environmental Policy Act.
- We are implementing measures to achieve \$100 million in cost pool savings in fiscal year 2013 and fiscal year 2014 combined.
- We have adopted new public-private partnership strategies for leveraging restoration funding. For example, over 10 years the Collaborative Forest Landscape Restoration Program is expected to leverage \$152.3 million in partner funding, about 62 cents for every Federal dollar spent.
- We also signed an agreement to use municipal funds to restore fire-damaged national forest land in the municipal watershed of Denver, Colorado. Over 5 years, Denver Water is matching the Forest Service's own \$16.5 million investment in watershed restoration. We have signed similar agreements with Santa Fe, New Mexico, and with other cities on the Front Range in Colorado, including Aurora and Colorado Springs.
- We are proposing a number of changes in our budget line items for fiscal year 2014 to better integrate accomplishments, to increase efficiencies in administra-

tion, and to make our program delivery more transparent. For example, combining the State and Volunteer Fire Assistance programs under Wildland Fire Management will improve program management, reduce administrative complexity, and will assist with improved performance management.

—In accordance with sustainability and efficiency mandates, we are working to reduce our environmental footprint. We are acquiring more energy-efficient vehicles and using the latest technologies to reduce our greenhouse gas emissions and cut our electricity and natural gas costs at facilities.

#### FUTURE OUTLOOK

Our budget request focuses accordingly on America's highest priorities for restoring ecosystems, strengthening communities and providing jobs, and managing wildland fire. We are developing a kind of land and resource management that efficiently and effectively addresses the growing extent and magnitude of the challenges we face, as well as the mix of values and benefits that Americans expect from their forests and grasslands. We will continue to lead the way in improving our administrative operations for greater efficiency and effectiveness in mission delivery. Our research will continue to solve complex problems by creating innovative science and technology for the protection, sustainable management, and use of all forests, both public and private, for the benefit of the American people. Moreover, we are working ever more effectively to optimize our response to cross-cutting issues by integrating our programs and activities.

The key to future success is to work through partnerships and collaboration. Our budget priorities highlight the need to strengthen service through cooperation, collaboration, and public-private partnerships that leverage our investments to reach shared goals. Through this approach, we can accomplish more work while also providing more benefits for all Americans, for the sake of generations to come. This concludes my testimony, Mr. Chairman. I would be happy to answer any questions that you or the subcommittee members have for me.

Senator REED. Thank you very much, Chief.

Senator Udall has joined us. Tom, we've offered everybody a chance to say a minute or so if you want to make a comment.

Senator UDALL. I first just want to wish our ranking member happy birthday. I know she was just out in the hall. Her two sons were calling her from Alaska. They were out on a boat. And so we're very happy that she's here with us today.

#### SECURE RURAL SCHOOLS

And just briefly just to mention, Chief, Secure Rural Schools. I know Senator Murkowski is probably going to focus on this, too. But I'm just very worried about the funding in our rural communities. And as you realize, in the Southwest we're concerned about the state of the environment, the ecosystems, and what's happening with those schools.

I think you've seen a number of letters from Governors and many participant State land commissioners, and others trying to urge you to find a way, and let's try to make sure that in our rural counties we're able to keep the schools there.

So with that, thank you very much, and really appreciate being here today.

Senator REED. Thank you, Senator.

#### WILDLAND FIRE MANAGEMENT

All right. Chief, as we mentioned, the fire budget seems to drive everything that you do or don't do. At this point, can you give us sort of a sense of, will we have another record fire year? We've already had some activity in southern California. Should we be anticipating another year? And which leads to the question of, if



every year is a record year, then we've got to sort of recalibrate and think of different ways to fund these programs.

Mr. TIDWELL. Mr. Chairman, we've been fortunate to have a slow start to this fire season because of the moisture we're receiving in the Eastern part of the country. Our predictive services once again show that we are set up to have another very active fire season, especially throughout the West, California, Oregon, and Washington then moving into Idaho and Montana.

So based on those predictions, we're anticipating a fire season similar to last year's.

Senator REED. Which is a significant cost to the Government, and we could in fact run over the program's budgeted allocation. Then again, to get into that situation, we'll need extra money?

Mr. TIDWELL. That's correct. Unless we are fortunate to have just a very light fire season this year, even with a moderate fire season, the expenses will exceed what we currently have in the budget for this year.

Senator REED. Well, again, I think both the ranking members are concerned, and we have to come up with a mechanism. In the past, as I indicated, there was emergency funding available to cover true emergencies like this. We have to be thoughtful and creative. And we'll be working with you on that.

#### AIRTANKERS

One of the major capital programs you have, obviously, is your air fleet. You are now starting the next generation of tankers in terms of your making them available. Also, in the National Defense Authorization Act, the Air Force was given permission to transfer seven C-27Js to you.

Can you give us an overview of where things stand with respect to the aviation fleet? Will you have adequate aircraft this fire season? Also, longer-term plans in terms of the fleet, including your acceptance or rejection of the Air Force aircraft.

Mr. TIDWELL. We will have an adequate airtanker fleet this year, anticipating between 24 and 26 planes will be available. We currently have nine aircraft under what we call our legacy aircraft, which is seven P2s, plus two BAE-14As that are currently on contract.

We are in the process of awarding contracts for seven more aircraft, what we call our next-generation, which is the faster, the planes that we're trying to move forward to carry larger payloads. In addition to that, we continue to work with the Air Force and Air Force Reserve to make sure that the modular airborne firefighting system (MAFFS) units, the C-130Js and Hs are available again this year as a backup. We've also taken steps to be able to work with Alaska and Canada to bring down their Convair 580s if we need those aircraft.

So based on everything we're moving forward with this year, I feel confident we will have a set of aircraft that we can respond.

In addition, we are anxious to see what the Air Force, the decision that they make, if the C-27Js are surplus and they become available. We would definitely like to have seven more of those aircraft to be part of our overall fleet. They would be Government owned, but contractor operated. We're moving forward to actually

look at what it would take for our MAFFS units and modify those so that they can fit into the C-27Js so if those planes become available we'll be able to move as quickly as we can to build those MAFFS units for those C-27Js.

Senator REED. Just two quick follow-up questions in this regard. One is, the next-generation contracting process is still not completed. Are you confident that you'll have these aircraft under contract and useful this fire season?

Mr. TIDWELL. Mr. Chairman, we're working through the process of the contract for the next generation. We have received a protest, and we will work through that protest. I do have the authority to override the protest. As we go through the process, I'll make that determination to ensure we have the aircraft we need to be able to respond to fires this year.

Senator REED. Let me ask again a related question. And that is that the next-generation funding level, in last year's budget it was \$24 million. In this year's budget, it's \$50 million. But that begs the question, What's the overall amount of money that you feel you have to commit to get this next generation of aircraft in service?

And then with respect to the C-27J, have the costs of modifications been built into any budget yet? Because I would presume that's not going to be a trivial cost, at least initially.

Mr. TIDWELL. Mr. Chairman, that \$50 million that we have requested would help offset the additional cost for the next-generation aircraft, plus the additional cost for the legacy aircraft. The legacy aircraft with the new contract, the expenses have gone up, as expected. It also would help us deal with the cancellation charges that we have to have set up in our budget.

As far as the C-27Js, if those become available, we would probably then use part of this \$50 million to be able to do the work we'd have to do on those to be able to fly with our mission. We estimate for the C-27Js, it would cost about \$3 million per aircraft to build the MAFFS units and then to make some changes on that aircraft to make them usable for our mission and take some of the military equipment, some of the armor, off of those aircraft that's no longer needed for our mission.

Senator REED. Thank you, Chief.

Senator Murkowski.

Senator MURKOWSKI. Thank you, Mr. Chairman.

#### SECURE RURAL SCHOOLS

Chief, let's talk a little bit about where we are with Secure Rural Schools. I indicated that as far as I know, the Governor has not yet received a response to his letter. I received your response on Monday the 20th. And in your response, you provide the agency's rationale for why you believe the sequester applies to the Secure Rural Schools payments.

But putting aside the legal arguments, the letter indicates that you made these payments in January, but the sequester was going to be the law of the land on March 1, or you certainly should have had every reason to anticipate that it would be.

Did you analyze the impact of whether or not the sequester would apply to these payments before you sent them out? I'm having a real difficult time trying to just justify how communities that

have for decades now received these payments from the Government now receive the payment, and then they get the letter in the mail saying, "We want it back." It just doesn't work.

So what kind of consideration was made before you sent out these payments? We know that the Department of the Interior withheld funds prior to sending out their Secure Rural Schools payments. They did it one way; you did it another. What was the rationale there?

Mr. TIDWELL. Senator, my rationale was based on two things. The first is at that time, and it was actually in December when we made the decision to issue those payments, I thought at that time there would be some options that would be found for the sequester and it wouldn't happen.

Second of all, I was still having ongoing discussions with our legal staff as to if the sequester would apply to the Secure Rural Schools payments. I personally had some questions on that. After a couple of meetings, the attorneys convinced me that they would apply.

The other thing that drove that decision is what you've mentioned. I know these communities, these counties, they rely on these funds for their schools and roads programs. So I had to make a call either to hold that money back or send it out. Based on my personal experience living in those communities, I made the call to go ahead and send it out, with an understanding also, with the title II funds that many of the States receive, which are funds that actually just go to project work on the National Forest, that we'd be able to use that money to be able to offset the sequestered amounts so that there wouldn't be an impact to community schools and roads programs.

That's the option that we've provided the States, to do what we can to minimize the impact on schools and roads, realizing that those title II funds, they're also important, because it creates jobs, it gets work done.

So, Senator, I regret the situation that we're in. When I think back through it, probably it would have been better to hold back maybe 5 percent at the very start instead of being in a situation where most of the States have the option to use title II or take it out of their schools and roads fund. But that's where we are. I regret that we've had to do this.

Senator MURKOWSKI. If the State of Alaska and Alabama and Wyoming refuse to pay, as the Governor's letter certainly suggests, I mean, what do you do? Are you going to, do you sue them for it? In your letter, it looks to me like you're kind of taking late fees and penalties off the table, which is a darn good thing, because you'd really have a fight on your hands there.

Mr. TIDWELL. I understand.

Senator MURKOWSKI. Your words are a little bit wiggly here in terms of being able to waive costs where applicable. I would certainly hope that at a bare minimum there is no effort to collect late fees and penalties.

And quite honestly, trying to sue the States, too, to collect the monies I don't think is a good option either. So again, we need to figure out how, you need to figure out, working with us, how we deal with this.

Let me ask a more, perhaps even more local issue than Secure Rural Schools. In the energy committee, when we visited last time, we had a lot of discussion about the USFS mandate of multiple use. We all recognize that it's all multiple use. And in that hearing, you suggested that some of what we need to look to in the Tongass is the recreational activities, the tourism activities.

#### TOURISM

And I agree. And it wasn't more than a week later from that hearing that I was in Ketchikan and sat down with a group of about a dozen air taxi operators that are fit to be tied. Because here they are trying to provide for a level of tourism within the Misty Fjords and Traitors Cove. They take their little floatplanes. Everyone wants to see the wilderness area. They get, the air taxi operators get permits to just land in these lakes, just land. Not go on the land, but just land.

And what the air taxi operators are telling me is that their permits coming from the USFS are being cut by some as little as 20 percent, some as much as 40 to 45 percent. One air taxi company has seen its permits cut from 300 to 165, another one from 500 to 298. When you're to provide for a level of tourism, when you can't take the tourists who are coming off the cruise ship out to do a quick floatplane trip, land in one of the lakes in Misty Fjords or Traitors Cove, it's kind of tough.

So I called Forrest Cole and talked with him. He was going to be meeting with everybody. And that's to be applauded. But I guess I'm trying to figure out, you're telling me on the one hand, "Tell the people who live in the Tongass to move toward tourism, utilize the forest in that way." And then your agency is limiting, dramatically limiting their ability to provide for those tourism opportunities.

So can you explain to me what it is that we're going to do in that particular situation in one community in Southeast?

Mr. TIDWELL. Well, Senator, I don't have all the details into the forest decision, but it's my understanding that they reduced some of the flights based on the concern from the public with the amount of noise that was created from the floatplanes, and at the same time increased the number of permits into Traitors Cove.

I will follow up with the forest and find out more specifics as to why the decision was being made, and then also what they're doing to actually mitigate. If it's something as just the noise, is there a way that they could land in a different place, maybe at a different time, but other ways to be able to deal with the concern from the public?

[The information follows:]

#### AIR TAXI SERVICE ON THE TONGASS NATIONAL FOREST

Due to concerns that limiting the amount and location of outfitter and guide use may not adequately provide for industry stability and growth, the Record of Decision for the Ketchikan-Misty Fjords Outfitter and Guide Management Plan allocated 53,997 service days annually to outfitters and guides. The highest actual use reported by outfitters and guides between 2005 and 2009 was 24,245 service days. Thus, the decision allows outfitter and guide use across the Ketchikan-Misty Fjords District to increase over 100 percent from the reported highest use levels.

The Forest Service also met with commercial air service providers on May 6, 2013 in Ketchikan, Alaska to discuss the issues you have raised, to explain what was in

the actual decision, and to discuss the new permit allocations. At the conclusion of the meeting, the Forest Service committed to meet again with the air service providers at the end of the season to review actual use versus permitted use. The Ketchikan-Misty Outfitter and Guide Management Plan includes an adaptive management strategy to allow changes to be made if experience shows they are needed.

Accordingly, by doubling the outfitter guide use across the District, and by incorporating a flexible adaptive management strategy to incorporate changes as needed in the future, the Ketchikan-Misty Fjords Outfitter and Guide Management Plan will facilitate growth of the industry while maintaining quality visitor experiences.

The Forest Service does not have reliable information about unguided visitor use numbers for Misty Fjords. Most unguided visitors access Misty Fjords National Monument Wilderness via motorized boat or sea kayak. Many of these visits are by local residents via privately owned boats. There is no practical way to know how many such visits are made.

The Forest Service has always been concerned about the economic health of rural communities throughout Southeast Alaska. The Alaska Region has made significant investment in a wide variety of resource areas to expand business opportunities across the Tongass. In this particular case, the Tongass National Forest limited the amount of outfitter guide use in one area to maintain its wilderness character and quality visitor experiences, while allowing for growth in other areas of the Ketchikan Misty Ranger District.

Senator MURKOWSKI. Well, this would be one opportunity for you to view for yourself. When you live in a place like Ketchikan that is on the water, you've got a lot of floatplanes. That's just the nature of the business. And how we provide for recreational tourism operations in a place like the Tongass, you've got to be flying.

Mr. TIDWELL. Yes.

Senator MURKOWSKI. So, let's work on this.

Senator REED. Thank you very much.

We will have a second round, just for the information of the members. My list has Senator Merkley as the first to arrive.

#### STEWARDSHIP CONTRACTING

Senator MERKLEY. Thank you very much, Mr. Chair. And thank you for your testimony.

I first wanted to ask about, we have a mill in John Day that has been at high risk of closing. And the regional forester has been working very hard to lay out a 10-year stewardship contract to ensure accessible supplies so that essentially the infrastructure in the plant can be renovated, be competitive, and that the mill knows it's going to be able to access wood for long enough to make that work. Otherwise, the mill shuts down. And we were this close, and I'm afraid we're this close today.

Last week, the regional forester got a letter from Leslie Weldon. It said, "We can't figure it out. We can't do it." It notes that we'll work to design a new contracting structure. My concern is that it's been 6 months in which a new contracting structure could have been identified. We could be wrestling with that now if it didn't take legal changes, which it doesn't appear it will take, from this letter. It could be in place now.

We don't want to lose this mill. Last month we lost the mill in Cave Junction, the Rough & Ready mill. It is the heart of the economy in that small town. This is the heart of the economy in John Day.

How can—what can we do to create the sense of urgency about designing the necessary structures so we don't lose this mill?

Mr. TIDWELL. Senator, of course we share your concern about that mill for the community, the jobs, but also to have the facility to be able to do the restoration work on the National Forest.

Since our staff sent that letter out, I personally have taken another look at this to see if there isn't some other options that we can do prior to getting stewardship contracting reauthorized. I'm optimistic that there's a different approach that we can take, that we're working currently with the region and forest on, to be able to move forward with a 10-year stewardship contract.

I have to stress, though, that without reauthorization of stewardship contracting, it is really—well, it will be the end of the program, the program that has provided a lot of certainty, that gives us this kind of flexibility to do these long-term contracts. And it's one of the reasons why it becomes one of our highest priorities this year to be able to get that reauthorized.

So I will get back with you as soon as we have finalized our approach that we're going to take. But I'm confident that we'll be able to find a different way to be able to move forward.

[The information follows:]

#### STEWARDSHIP CONTRACT

The Malheur National Forest is preparing a 10-year Integrated Resource Service Contract (IRSC), Indefinite Delivery, and Indefinite Quantity (IDIQ) to provide timber volume and service work. This contract should be available for companies to bid on this summer. The contract will provide a major share of the Malheur's program for the next 10 years.

Senator MERKLEY. Thank you. And are you satisfied with the stewardship contracting reauthorization as structured in the Senate farm bill?

Mr. TIDWELL. Yes.

Senator MERKLEY. Okay. So we anticipate getting that done, and hopefully, we'll get it arranged through the House.

Mr. TIDWELL. Thank you.

Senator MERKLEY. And I appreciate that you've taken special attention, personal attention to this issue.

We have other situations where 10-year contracts will either make or break whether or not there is a biomass plant established, which means the difference between basically utilizing some of the forest woody mass versus having it burned on the floor of the forest.

It makes a lot of sense to try to make these things work, but there has to be a framework in what has been a very uncertain world that provides much more certainty. I know you understand. But thank you for your personal attention on it.

#### LAND AND WATER CONSERVATION FUND

I wanted to turn to the LWCF and Forest Legacy. And I really appreciate the administration's support for the LWCF. And I was especially pleased to see the top-ranked project in the country was Gilchrist Forest in Oregon.

We were anticipating that there was a chance that the Gilchrist Forest and the Blue Mountains Forest Legacy could be funded in fiscal year 2013. And I think we're still waiting for announcements.

I think we thought those were coming out in April. Are those on the—are we likely to hear on some of these projects fairly soon?

Mr. TIDWELL. Yes. We should be able to get to you, I think, within the next week.

[The information follows:]

#### LWCF GILCHRIST FOREST UPDATE

Currently the project is held by The Conservation Fund. This was done at the request of the State and is in compliance with Forest Service Program Implementation Guidelines. The project will add nearly 26,000 acres to the 42,000 acre Gilchrist State Forest. The Gilchrist State Forest is the newest State forest in Oregon and was acquired with \$15 million of State funding. This project is important not only because of its contribution to the local forest products industry, but also for recreation and preventing conversion from open space, which will reduce fire risk and suppression costs. The State goal is to close on the Gilchrist land acquisition in this calendar year, though that may be closer to early in the following year to allow for the required due diligence actions for acquisitions funded by the Forest Legacy Program.

Senator MERKLEY. Thank you. And I do appreciate the advocacy for funding. This has been a key, key set of programs.

#### HAZARDOUS FUELS

I wanted to turn to the issue of hazardous fuels reduction. The frustration of fighting these forests on the back end is just enormous. And after the fires last summer, everyone, whether it be inside the USFS, with the private landowners, with our local electeds, the scientists said, “We’ve got to do more on the front end. We’ve interrupted the natural fires of the past that were smaller fires that cleaned out this debris.”

And so it comes as a shock to us to see that that funding was cut by, I think, \$116 million. I fought hard for us to get funding to replace the surplus funds that were going to be diverted into fighting the fires, which I realize the huge challenge; you’ve got to fight fires when they occur. But how do we responsibly address forest health if we can’t have a robust fuels reduction program on the front end?

Mr. TIDWELL. Well, Senator, that reduction in the hazardous fuels funding in our request is just part of the difficult tradeoffs we have to make. When we have to continue to put so much more of our budget into suppression and also in preparedness, there has to be changes made in reductions.

With the funding that we are requesting, we’ll focus on the wildland-urban interface with the hazardous fuels reduction. And then in the backcountry, or outside of, away from the communities, when we do our restoration work, when we do our timber harvest, our timber thinning, we’re also reducing hazardous fuels. And so we’ll be accomplishing that hazardous fuels reduction through our integrated resource restoration work, through our timber sales.

But there’s just no question with that level of reduction, there’s going to be less fuels work done, there’s going to be less hazardous fuels accomplished.

Senator MERKLEY. Well, I’ll keep talking with you about it, because I realize there’s no easy answer. But with the changing or the more extensive droughts, we’re going to see that this problem of accumulated fuels becomes of more and more dreaded effect. And somehow we have to figure it out. Thank you.

Senator REED. Thank you very much.

Senator Tester.

Senator TESTER. Thank you, Mr. Chairman. Yeah, we've got to break the cycle. We're spending money on fighting fires when it would be much better to cut some wood and get us a permanent supply. We'll get into forest jobs maybe later.

#### AIRTANKERS

First I want to talk about airtankers, next-generation airtankers. As we well know, there's an intent to award contracts for seven of them. Fire season has already started in Montana and across the West, quite frankly. And while my staff was initially told that these planes would be ready to fly, I'm talking about the ones that were the seven that were contracted, awards were given. Well, my staff was initially told that these would be ready to fly this fire season.

We've received conflicting information from—even before the protests. And so I understand there might be some actions you can take to resolve this. But I have larger concerns regarding how these competitions are being run. You and I have known each other for a long time. You've been up front with me. I'm going to be up front with you.

After two protested competitions, I have serious questions as to whether the USFS is getting the best value for the dollar. So, Chief, can you tell me when these planes will be ready? I'm talking about the seven that the contracts have been awarded for.

Mr. TIDWELL. Senator, once we work through the protests and we actually award the contracts, it's our expectation that those contractors that have the new contract awards will have their planes ready to go within 60 days for testing.

Senator TESTER. Okay, how about, that's for testing. Does that mean—okay, 60 days. We're middle of May, June, July. I hope we're not, but chances are, you know well, there's going to be a lot of smoke in here by the middle of July. Will the planes, they're ready for testing in 2 months. Are they going to be ready to fly in 2 months?

Mr. TIDWELL. Well, it's our expectation that after they complete the tests, they will be able to fly. The aircraft that are being considered, they are all FAA certified already. So there isn't a problem we have to deal with. So it's just to get their tanking systems and then to be able to meet our performance tests. And they'll be able to fly.

Senator TESTER. Yes, thank you, Chief. Can you tell me if that was taken into consideration as far as the contracting, whether—how quickly the planes could be up in the air? Because quite frankly, I really hate to say this, but you know very well we'll either be flooded out in June or there will be fires in June. There's going to be no happy medium here.

Mr. TIDWELL. It was factored into the decision on which contracts were awarded or would be awarded as to their capability based on what they provided, their capability to be able to have the aircraft that would perform to our standards and to be able to be operational within 60 days. There's no guarantee that they will be, but this is the process that we have to go through.



It's why we are also setting up contingency plans to bring the 580s down from Canada and Alaska if we need to, and then of course to have the MAFFS units on ready.

Senator TESTER. Look. You're probably frustrated with it, too. I'm a little frustrated with this whole thing because, quite frankly, I've seen what's happened in Montana's forests for a long time now. I live in eastern Montana, 200–300 miles from where the forest is. And we are covered in smoke most summers.

And it goes to a bigger issue that Senator Merkley was talking about. But if we're going to fight these fires and if you want to use next-generation as being the plane that's really going to get the job done much more efficiently and cost effectively, I honest to goodness can't figure out why the award was made how it was. That's just a dirt farmer talking. Because quite frankly, we haven't been able to get an answer from your staff as to when these planes are going to be up in the air, and I'm not sure I've gotten one from you as to whether these planes can be up in the air in 60 days.

Mr. TIDWELL. Well, Senator, that's the requirement in the contract, that once the contract is awarded, is that they need to be available to test within 60 days. That's the contract—

Senator TESTER. But if they don't pass the test, what happens?

Mr. TIDWELL. If they don't pass the test, then they don't fly. So those aircraft are not available. We have to then go back to the aircraft that are available, plus we can use the 580s.

Senator TESTER. The Canadians.

Mr. TIDWELL. Plus we can use the call-when-needed.

Senator TESTER. Okay.

Mr. TIDWELL. I want to point out this is the problem.

Senator TESTER. Yes.

Mr. TIDWELL. This is one of the reasons why we've been asking for the C-27Js. So we at least have part of our fleet that is Government owned so that there is some guarantee that we're going to have aircraft.

Senator TESTER. Yes.

Mr. TIDWELL. So this just could have been an ongoing problem with these contracted aircraft.

Senator TESTER. My problem is not with the contracted aircraft per se. And I'm not for privatizing Government. But my problem is that there were better options on the table to be taken up by the Forest Service, from my perspective. And they didn't do it. And you know exactly what I'm saying in all that.

Mr. TIDWELL. We have a set of procedures that we follow when we award contracts. I can guarantee you there is a high level of oversight that is provided. Through the process of being able to protest, on another additional level of review, and so that's the process that we have to follow.

Because of that, our folks go to great lengths to be able to make sure that we are making the right decision based on what the contractors provided us. We have to make our best decision.

Senator TESTER. I understand that. And I know there's going to be a second round. I would just say that, and I know you can't do anything about it because the contract has already been awarded—well, I guess you can. But the bottom line is that we need to get the biggest bang for the buck. And I'm not sure that, because of

the fact that we don't know if these planes are going to be operational or not, whether we got the bang for the buck.

I appreciate your service, and I don't mean to be critical. But I'll stick around for the second round.

Thank you, Mr. Chairman.

Senator REED. Thank you very much, Senator.

Senator Begich.

Senator BEGICH. Thank you very much, Chief, for being here. Let me just ask a quick question on Senator Tester's issue there. The protest has been filed, right? How long before that's resolved?

Mr. TIDWELL. I'm hoping that the attorneys are actually working today to begin the discussions to address that protest.

Senator BEGICH. So, I don't mean to interrupt you. But so they've started the review, but the protest has an amount of time that the individual has, correct?

Mr. TIDWELL. Yes.

Senator BEGICH. What is that time?

Mr. TIDWELL. Well, they've submitted the protest. The next step is for us to provide the information that both sides are requesting. Then eventually, it would go in front of, in this case, the judge.

In the meantime, I have to look at where we're going to be, how much it's going to take, and make the decision whether to override the protest or not.

Senator BEGICH. Got you.

Mr. TIDWELL. That's one of the decisions that I'm going to have to make here probably within the next week or so.

Senator BEGICH. That's the question I was trying to get to. So you have about a 2-week window that you'll determine if the protest, in your mind, is valid? Probably not the right word, but that there is full merit to it? But also, you'll weigh the fire issue that you have to deal with this summer; is that correct?

Mr. TIDWELL. That's correct. I have the authority based on the emergency situations of having airtankers to be able to override the protest.

Senator BEGICH. Very good. I just wanted to add that little context to the schedule there.

#### ROADLESS RULE

I want to talk to you about the Roadless Rule, which of course you know that the Alaska delegation is totally opposed to on many fronts. But, and I want to say your Alaska region has done a good job working with us in regards to mining issues in trying to make sure that some of those mines can continue to move forward.

We've been told and assured that the Federal Power Act will trump the Roadless Rule on development. So let me go to one area specifically. And that's the area of hydroelectric power. As you know, in Southeast, it is what operates.

Mr. TIDWELL. Yes.

Senator BEGICH. And also important for some projects that are moving forward. We have heard from individual operators, as well as the industry group, that it's not clear how this will work. For example, will they be forced to use helicopter maintenance as an issue versus accessing it, obviously, through roads? Which of course, just adds huge costs to the ability to move power.

I guess what I'm looking for, because there's so much uncertainty here, will you commit to meet with the industry groups to get this clarity on how hydropower can be utilized within the roadless areas? Two, how can we maintain a constructed, meaning the power itself and transmission lines and generation? Is that—because we keep hearing they're just not sure. And of course, if you start going to helicopter maintenance, very expensive.

Is that something you would commit to to make sure we can move forward in trying to get this figured out?

Mr. TIDWELL. Senator, I will make that commitment to be able to bring the right folks together to have a clearer understanding about what we need to do to move forward to make sure that the proponents for these hydroelectric facilities understand how they're going to need to operate. So make it very clear. So I will make that commitment to bring the right people together to clarify this.

Senator BEGICH. Very good. And on generation and on transmission?

Mr. TIDWELL. Yes.

Senator BEGICH. Okay. Because, obviously, generation may be a piece, you know, resolvable. But if you have lines that you can't get to and it costs a lot of money, the project may not happen. And if you could give us feedback as you move forward on that, it would be great.

#### AIRTANKERS

I want to just quickly follow up on the C-27s that were brought up by the chairman. And that is, let's assume for a moment DoD and the authorizing bill does it. They say they got seven surplus. They say, "Here you go." Are you willing to take those, and/or are you willing—tell me what your step will be if those are presented to you or available to you. Are you willing to take those? And if the answer is yes, do you have within your budget resources to do the things that the chairman asked for? One is retrofitted in, but also to maintain them and operate them.

I understand they're going to be contracted, operational, but owned by the feds. But can you tell me?

Mr. TIDWELL. Yes. If those seven aircraft are made available, we will receive those aircraft, and we'd expect that the earliest that would occur is toward the end of this fiscal year, probably in September at the earliest. Our budget request for fiscal year 2014 would provide us with the additional resources to move forward to modify those aircraft so they'd be available for our mission.

#### SECURE RURAL SCHOOLS

Senator BEGICH. Fantastic. Let me also just associate my comments with Senator Murkowski in regard to the secure school funding issue, obviously a big concern there. But I wanted to get to a higher level.

I mean, your position where you're at, and I kind of heard it through some of your testimony that, I mean, you're just getting squeezed from all ends. And you're just trying to figure out where to reduce the budget, and this is one of the areas that you looked at. And now you're kind of rethinking, maybe it wasn't the wisest

thing to do to do it all at that point, giving them all the money, then trying to claw it back.

Let's assume for a moment the sequester continues. Because it's a 10-year deal. It's not a 1-year deal. Are you going to look at this in how are you going to allow or transfer that money to schools and hold back any next cycle? Or what's your thinking now that you've gone through this experience that still is not over yet?

Mr. TIDWELL. The 25 percent funds will go out as collected for next year. If there is continuation on extension of Secure Rural Schools payments, we will know what we're up against right at the start so it will be the amount of money that will be made available for schools and roads so that we will not have this issue ever again.

Senator BEGICH. Okay. And are you starting to—I'm assuming, I know you don't want to do it too early because school is still in session this session. But as you move toward next session, will you be working with the affected schools' districts to make sure they understand, if we don't resolve the sequester, what the impacts are going to be?

Mr. TIDWELL. We will be working through the States to be able to inform them what we'd expect under the 25 percent fund if there isn't an extension of Secure Rural Schools. If there is an extension that is made available, then we will also work with the States to share that information.

#### TIMBER MANAGEMENT

Senator BEGICH. Great. Last question. Just for the record, maybe, if you could get to me, I'd be interested in maybe the last 10 or 15 years on a chart that shows on timber sales the amount of time it takes you from the initial stage to actual in production. I want to kind of see what it looks like over the last 10–15 years. Has it improved? Has it decreased? And if you wouldn't mind putting in there what your staffing levels and resources have been allocated to that effort corresponding to those years. Does that make sense?

Mr. TIDWELL. Yes.

Senator BEGICH. You see where I'm driving to. I just want to kind of see what the connection is if there is one.

Mr. TIDWELL. Yes, Senator, we can provide you that. It's the information that supports what I've already shared about the 49 percent reduction in staffing over the last 14 years, but at the same time a reduction in our unit costs by 23 percent. We'll also show basically the average amount of time it takes from when we initiate a project to when we actually sell the contract.

[The information follows:]

#### HISTORY OF TIMBER SALES AND TIMEFRAMES FROM BEGINNING TO PRODUCTION

The following are estimated timeframes for the various parts of the timber sale preparation process. The first step (Gate 1) is developing a project proposal. This typically will take 1 week to 1 year depending on the size and complexity of the project. The next step (Gate 2) is project analysis and design. This second step is when NEPA analysis is completed. This is the longest timeframe and varies based on the size of the area and the complexity of the proposal; it can range from 6 months to 2 plus years. This excludes the appeal and litigation processes if they occur. The third step (Gate 3) involves marking the areas on the ground, measurements, contract preparation, and appraisal. It varies from 3 months to 1½ years, depending on the size and complexity of the project. The sale package, bid opening

and sale award (Gates 4, 5, and 6) vary from 2 months to 6 months. Altogether the process can range from 1 year on a very simple, small sale to 5 years for a large complex project. There is also variation in the timeframes in different regions of the country. Our perspective is that these time periods have not changed much, if at all, over the past decade.

The history of timber sales for the past 15 years is provided in the table below.

[In million board feet]

Year	Volume Offered	Volume Sold
1998 .....	3,415	2,955
1999 .....	2,300	2,200
2000 .....	1,714	1,745
2001 .....	2,015	1,534
2002 .....	1,785	1,621
2003 .....	2,070	1,638
2004 .....	2,467	2,164
2005 .....	2,531	2,400
2006 .....	2,639	2,863
2007 .....	2,731	2,499
2008 .....	2,830	2,484
2009 .....	2,508	2,227
2010 .....	2,671	2,592
2011 .....	2,579	2,533
2012 .....	2,616	2,644
2013 est <sup>1</sup> .....	2,800	2,800
2014 est <sup>1</sup> .....	2,380	2,380

<sup>1</sup> Sold value was estimate based on calculated 2012 unit value.

TIMBER STAFF LEVELS

The table below shows staff levels for the years 1998 to 2012. These numbers include FTEs from the Forest Products budget line item and the Timber Salvage Sales and Cooperative Work Knutson-Vandenburg funds.

TIMBER PROGRAM STAFF LEVELS

Fiscal Year	FTE
1998 .....	6,453
1999 .....	4,065
2000 .....	3,445
2001 .....	3,342
2002 .....	4,659
2003 .....	3,822
2004 .....	4,128
2005 .....	4,054
2006 .....	3,268
2007 .....	3,792
2008 .....	3,210
2009 .....	3,263
2010 .....	3,101
2011 .....	3,027
2012 .....	3,282
Percent change 1998 to 2012 .....	49

Senator BEGICH. That would be great. I'd love to see that. I think the window is 10-year—I think you used 1998 as your start point in your testimony.

Mr. TIDWELL. Yes.

Senator BEGICH. So maybe take it from that point, move forward.

Mr. TIDWELL. Okay.

Senator BEGICH. Very good. Thank you very much. Thank you, Mr. Chairman.

Senator REED. Thank you, Senator.  
Senator Feinstein.

Senator FEINSTEIN. Thanks very much, Mr. Chairman. And welcome, Chief. It's good to see you again.

#### AIRTANKERS

At an earlier hearing of the Energy and Water Development Subcommittee on Appropriations, David Hayes indicated that California was going to have its worst drought in history this year. In terms of what that means, it's one water and two fire. We won't have the water, and we will have the fire. And that presents a very real problem.

I don't want to go into all the details which have been discussed of the holdup in contracts, of the contracting of the C-27s. But I want to express to you my view that this is life or death to California. If we have a number of lightning strikes, which we can have and have had 2,000 of an afternoon that started 1,000 wildfires, these tankers are critical.

I also want to take this opportunity to invite you to attend a summit on Lake Tahoe, where three National Forests sort of converge, on August 19. This is a bi-State summit with Nevada, Senator Reid handles it this year, and California. We alternate years when we do the summit. And we have the regional foresters there, which are just great.

I think it would be very helpful for you to come out and see the work that they have done. And it's one of the things that I try to get there every year to see the trails of burning that's gone on, the trails that are being cleared, and some of the foresting that's being done. So I want to extend that invitation to you personally, and also if you can, to say a few words at the summit.

I am really concerned by fire and would like to just urge you to do your utmost to get rid of those contract problems and move those planes, because they are going to be just vital to the California fire areas.

#### QUINCY LIBRARY GROUP

As you may know, many years ago, with Wally Herger in the House, I proposed legislation called the Quincy Library Group. And this was when environmentalists and lumber people and others up in the northern California area got together. And they went to the Quincy Library because it was the only place they couldn't yell at each other. And they forged a plan to be able to prudently forest some of the forests in that area, particularly to mitigate fire.

The project's authority expired in September 2012. I can't do a bill to renew it because it's now an earmark. But what I want you to know, and hope, is that you continue your significant fuels treatment within the 1.5 million acres of forestlands covered by Quincy Library Group in the next few years.

Now, you'll have reduced funding. And you'll have existing authorities. Can you tell me a little bit about what the Forest Service plans to do within that 1.5 million acres?

Mr. TIDWELL. Senator, we're going to continue to build on the good work that you started with Quincy Library Group. And out of that, we've also been able to release some of our scientific reports

that also support that type of work to continue in the forest, which is helping to build more and more support for it. So we're looking at expanding that type of work.

We do have the challenges with reduced funding. But by looking at larger areas than we have in the past, we're finding greater efficiencies by doing the analysis for hundreds of thousands of acres at a time versus those small projects, which is increasing the efficiency.

Also with the programs we have going on there in the State, where there's the incentives for biomass, that's also going to be very helpful. We want to make sure that we can demonstrate that the work we're doing on the forest also supports what the State is doing.

Senator FEINSTEIN. Well, I'm a strong supporter of both of those. And if you need help, please call. I very much fear this next fire system. As you know, the Santa Anas blew in May, of all things. And that started a huge fire. So it's really fire, and urging you to keep an eye particularly on California in this regard. And anything I can do to help, please let me know. I want to help.

If you can come to Tahoe, it will be on the Nevada side, on August 19. I think that would be very, very helpful. You've got a great team up there. And they work very hard. So it would, I think, be very welcome.

I thank you, Mr. Chairman. That's it for me.

Senator REED. Thank you very much, Senator Feinstein.

#### WILDLAND FIRE MANAGEMENT

You know, Chief, we've been going back and forth, I think, very productively. But certainly the critical issue of the fire season, the cost of fires, whether you're prepared or not, aviation, ground crews, et cetera, and then I think the ranking member and I are very concerned because, from what you've said, we're probably going to meet or exceed last year's very expensive fire operation, which takes away from discretionary spending.

And one of the things that we will pursue, and we'd like your support in this pursuit, is that at some point we're going to have to declare emergencies for these fires. Is that a position that you would support?

Mr. TIDWELL. Yes, I would. We need to have a better solution than what we've had in the past when we do have these very active fire seasons that go way beyond the budget that's been prepared for it. So I would appreciate your support there.

#### LANDSCAPE SCALE RESTORATION

Senator REED. Well, thank you very much, Chief. You've made many proposals, and let me discuss one of them. This is the Landscape Scale Restoration Program, which is you're trying to reorganize programs. Can you tell us what you would like to accomplish with this proposal? And how States with predominantly State or privately owned, not National Forests, but State or privately owned forests, and Rhode Island is one of those States, can participate and will benefit from this program? It seems just on the surface to be directing resources more exclusively to the National Forests.

Mr. TIDWELL. Mr. Chairman, this proposal is kind of built off of the concept of the integrated resource restoration, but would allow our State foresters to be able to look at their landscapes, their mix of private land and State lands, and be able to determine what type of work needs to occur on that landscape, instead of being focused on individual programs within that landscape.

So for States like yours, with their statewide plans that your State foresters put together, it actually supports that type of an approach, to be able to look at these larger landscapes, to be able to do all the work that needs to be done versus focus in on this program on this acre, another program on another acre.

So we feel that for a State like Rhode Island, it will actually support the work that they've been doing. It will also, we believe, create some more efficiencies and increase the overall amount of work that can be done to be able to support our private land forests.

#### INTEGRATED RESOURCE RESTORATION PROGRAM

Senator REED. Well, thank you, Chief. Another proposal is the Integrated Resource Restoration Program. We authorized and provided resources for a pilot program. I know you have the results for 2012. Now you want to go scale up nationally, even though it's a 3-year pilot. Can you share with us the results, the findings of the first year of the pilot? Presumably, that influenced you in your decision to seek a nationwide program.

Mr. TIDWELL. Mr. Chairman, first of all, thank you for the pilot authority. Our first-year results show that in almost every category, we met or exceeded the targets that were set up. The only area where we did not meet those targets was in our northern region when it came to biomass timber sale productions. That was driven by some litigation that occurred. That shortfall would have occurred with or without the integrated resource restoration.

With the pilot, we recognize it's going to take 2 to 3 years for us to be able to have the information to show you that this is a better way. We're committed to the pilot. I'll keep asking for the full authority just because based on my previous experiences, I think it's a better approach. We're going to focus on doing the pilot work and then be able to come in here 2 to 3 years from now and make a strong case as to why this is a better approach.

#### LAND ACQUISITION

Senator REED. Thank you, Chief. My final question is that the land acquisition component is about \$57.9 million. That's an increase of \$5.5 million. And I think we all support land acquisition. You indicated in your opening statement it's a very smart and efficient way to conduct your operations.

But the bulk of the money is targeted to six to eight, six projects where I presume that there are nationwide sort of demands for these funds. And can you sort of explain the rationale of so tightly focusing these resources rather than using them in a more dispersed basis?

Mr. TIDWELL. Mr. Chairman, over the years we had taken the approach of working the highest priority projects across the country without ever looking at what actually needs to get done in certain parts of the country. So working with the Department of the Inte-



rior a couple of years ago, we took a step back to really look at some key landscapes in the country where, by working together, we can complete the acquisition that needs to be done and actually be able to say, "Okay, we're completed there," and then be able to move on to other parts of the country.

So it helps us to be able to focus not only the funds that we request, but also from the Department of the Interior to be able to accomplish the overall goals for acquisition in that part of the country. So it does require a larger investment in any 1 year in a certain part of the country. But by doing that, it will allow us to complete that work and then move on to the next higher priority.

At the same time, we also have a list of what we call our core projects that we need to move forward with that are the highest priority, that are time sensitive. And we're going to continue to be able to do both.

Senator REED. Just, and you might provide this for the record. [The information follows:]

#### LAND ACQUISITION PROJECTS

The table below provides the status of Land Acquisition projects.

U.S. FOREST SERVICE LWCF PROJECTS FISCAL YEAR 2013 AND BEYOND

Forest Service Region	Project Name	State	National Forest	Fiscal Year 2013 Funding Amount/ Acres	Plan To Complete in Fiscal Year 2013/Phased <sup>1</sup>	Phases Complete Prior to Fiscal Year 2013	Proposed Fiscal Year 2014 President's Budget Phase <sup>2,3</sup>	Projected Fiscal Year 2015 and Beyond Phases in Dollars/Acres <sup>4</sup> ; Total Acres Upon Completion
1	CLP Crown of the Continent Northern Rockies: MT Legacy Completion <sup>5</sup>	MT	Lolo/Flathead	\$12,400,000 4,500 acres	Phased	2	\$31,000,000 24,313 acres	Projected complete in fiscal year 2015 with additional \$5,000,000 for 1,200 acres Project total over 5 years = 35,700 acres
1	Tenderfoot	MT	Lewis & Clark	\$3,000,000 2,360 acres	Phased	3	\$3,200,000 2,280 acres Complete Total acres over 4 years = 8,220.	
2	Ophir Valley	CO	Uncompahgre	\$1,000,000 40 acres	4	5	\$1,470,000 59 acres Complete Total acres over 5 years = 1,113.	
3	Miranda Canyon	NM	Carson	\$2,656,000	Phased	1	\$2,170,000 965 acres	Projected complete in fiscal year 2015 with additional \$2,568,000 for 1,142 acres Project total over 4 years = 5,000 acres
4	Salmon-Selway Initiative Area: Morgan Ranch & Pardoe Rodeo Grounds.	ID	Salmon-Challis and Sawtooth National Recreation Area.	\$340,000 237 acres	Phased	1		Ongoing phases through 2020. Need \$8,243,000 for 908 acres
4	CLP Crown of the Continent: Greater Yellowstone.	WY/ID	Bridger-Teton/Caribou-Targhee.	\$3,200,000 350 acres	Phased	Multiple	\$2,000,000 320 acres	Ongoing phases through 2020. Need additional \$14,800,000 for 398 acres Project total by 2020 = 18,500 acres Projected complete in fiscal year 2016. Need additional \$3,320,000/2,388 acres
5	Hurodygurdy	CA	Six Rivers	\$1,300,000 1,678 acres	Phased	1		Project total over 4 years = 5,284 acres

	Leech Lake Mountain	CA	Mendocino	\$1,000,000 640 acres	Plan to complete in fiscal year 2013.	Multiple	.....	.....
5								
5/6	Pacific Crest National Scenic Trail.	CA/OR/WA.	Several	\$650,000 160 acres	Phased	Multiple	\$3,100,000	Multiple phases beyond 2020 Total need = \$141,685,300 Projected completion 2017 with additional \$10,464,000/10,464 acres Project total over 4 years = 12,504 acres
6	John Day River Head-waters	OR	Malheur	\$2,040,000 2,040 acres	Phased	.....	.....	.....
8	CLP Florida/Georgia Longleaf Pine.	FL	Apalachicola/Osceola	\$5,300,000 4,000 acres	Phased	Multiple	.....	Multiple phases through 2020. Need \$21,000,000/25,000 acres Projected completion 2016. Need \$3,500,000/200 acres Project total over 6 years = 900 acres
8	NC Threatened Treasures	NC	Pisgah	\$1,150,000 176 acres	Phased	2	\$1,250,000 177 acres	Multiple phases through 2020. Need \$21,000,000/25,000 acres Projected completion 2016. Need \$3,500,000/200 acres Project total over 6 years = 900 acres
9	Great Lakes Northwoods	MN/WI	Superior, Ottawa, Chequamegon-Nicolet.	\$1,745,000 617 acres	Phased	4	\$1,400,000 241 acres	Multiple phases through 2020. Need \$38,443,000/32,610 acres
9	Grey Towers	PA	Grey Towers National Historic Site.	\$1,000,000 21.5 acres	Phased	.....	.....	Projected completion 2016. Need additional \$1,750,000/181 acres Project total over 4 years = 202.5 acres
10	Whitewater Bay, Admiralty NM.	AK	Tongass	\$980,000 160 acres	Plan to complete in fiscal year 2013.	.....	.....	.....

<sup>1</sup> Phasing lets the Agency divide a project into smaller portions to allow for portioned acquisition subject to annual appropriation limits.  
<sup>2</sup> The fiscal year 2014 planned acquisitions are based on the competitive LWCF prioritization process, but the amounts awarded to each project are subject to change based on appropriations. Projects might also be added or removed based on urgency of a particular project and market factors subject to congressional reprogramming guidelines.  
<sup>3</sup> The fiscal year 2014 President's budget includes projects not displayed on this fiscal year 2013 list.  
<sup>4</sup> Fiscal year 2015 and beyond assumes the appropriation named in the fiscal year 2014 President's budget and are subject to future appropriations. Future phases may change due to updated appraisal values and continued participation of willing sellers.  
<sup>5</sup> This is a Collaborative Landscape Planning (CLP) LWCF project.

Senator REED. Do you have sort of a list of those projects that are fully completed? You're indicating on your strategy, because there's always—and again, this is a good thing. There's always sort of a notion that, “Well, we've really consolidated a lot of territory around the national, and there's just one or two more pieces that we could do, where success leads to additional incentives.”

So it would be helpful, I think, to us to have a notion of, you know, if there is finality in this process and also to look closely at those high priority, because you're talking about areas of the country where it is time sensitive. You could lose the land to either public use—private use, rather, or many other reasons if they're not immediately acquired. So we would like that information if you could get it.

With that, let me recognize Senator Murkowski.  
Senator MURKOWSKI. Thank you, Mr. Chairman.

#### INTEGRATED RESOURCE RESTORATION

Chief, I appreciate that you've clarified, I think, the agency's position with the budget request for the integrated resource restoration. I think it is important that we are able to really look at some concrete results that demonstrate improved performance, that really allow us to determine whether or not this IRR proposal lowers the costs and achieves better results on the ground.

So what I heard you say to the chairman was that you appreciate the pilot program, you're going to continue with the pilot. It's probably going to take several years before you can get exactly that kind of evidence so that we as a subcommittee can then weigh that and make a determination as to whether or not it should be made permanent.

Mr. TIDWELL. Yes.

#### LAND AND WATER CONSERVATION FUND

Senator MURKOWSKI. So I appreciate that clarification.

Let me ask you a question on the LWCF. The plan calls for partial mandatory funding for LWCF in fiscal year 2014, then shifts to full mandatory funding of \$900 million a year beginning in fiscal year 2015. And then within your own budget—that was the President's budget. Within your own budget proposal, \$59 million is included on the mandatory side for LWCF in fiscal year 2014.

And I guess I'm looking at this and saying, we all have our priorities most clearly here. I have questioned that at a time where budgets are very, very tight, we would be purchasing more land when we're not able to adequately care for, maintain, provide the resources for what it is that we have. And then discussions like we're having here this morning about fire season that I think scares us all, and a recognition that we simply won't have the resources that we need to deal with that, have to move towards disaster funding.

So I guess it just begs the question here, when you move something to mandatory funding, we're basically on autopilot. And we are then in a situation where one program receives somewhat preferential treatment. If you're on autopilot, it's not subject to the same critical review, I think, that we go through with all of these very important programs, whether it is firefighting, whether it's

dealing with hazardous fuels, whether it's dealing with our timber harvest programs.

So I guess a very direct question is, Why does LWCF deserve to be put on a higher plane, a higher priority than some of these other very critical budget areas?

Mr. TIDWELL. Senator, the LWCF proposal for mandatory funding is based on the Department of the Interior's proposals to generate additional revenues to cover the cost of that. I want to assure you that the only way this could be successful is if there is adequate input and oversight from Congress and from this committee so that it reflects the type of projects you want to see go forward.

I want to reassure you it has to be part of this, to be able to put a system in place so that you have the level of input and oversight that's necessary to make sure that it is successful.

Once again, it is driven by what we hear across this country about the need to acquire these key parcels of land, whether it's for the critical habitat that can assure that we're able to recover species and be able to do more active management, or those key access points to make sure that folks can continue to access the National Forests and Grasslands, or in key areas to be able to provide the conservation easements so that a private landowner can keep working his land or her land so that she can still be able to manage that land as an active forest versus having to give it up to some form of development.

That's what really is driving this. Like I said earlier, when it comes to the acquisition, in every case that I've dealt with during my career, by acquiring those key parcels it actually reduces our overall administrative costs and gives us more flexibility to be able to manage these landscapes.

Senator MURKOWSKI. Well, you mentioned the role of the committee in terms of determining that priority. I think that oversight role is important. And I worry that we might lose some aspect of that oversight with this expansion that we're talking about.

#### TIMBER HARVEST

In my last minute, I'd like to bring up the question that you know that I'm going to ask. I don't want to disappoint you here. But this is relating to the timber harvest in the Tongass.

I asked my staff to get the official agency timber harvest for the last 10 years in the Tongass. The high-water mark was 2003. There were 51 million board-feet. We've gone downhill since then to 21 million board-feet last year. We talk about the situation every year.

What can you provide for me today in terms of assurances that we're going to see the numbers improve within the Tongass?

Mr. TIDWELL. Senator, last year we sold, I think, right around 50 million to 51 million, which is basically our 10-year average of timber sold. Harvest has been less than that, based mostly on market conditions. That's the way it is.

Senator MURKOWSKI. When you say "less," would you agree that it was 21 million board-feet last year?

Mr. TIDWELL. Well, as far as the harvest numbers, I'll have to get back to you.

[The information follows:]

TIMBER SALES, HARVEST, AND STAFFING IN REGION 10

The numbers shown between 1998 and 2008 are best estimates for timber sale activity and staffing in Region 10.

Fiscal Year	Number of Sales	Timber Sold (MMBF)	Timber Harvested (MMBF)	FTEs
1998	81	24	120	330
1999	46	61	146	310
2000	67	170	147	<sup>1</sup> 300
2001	40	50	48	280
2002	58	24	34	240
2003	35	36	51	230
2004	54	87	46	200
2005	70	65	50	180
2006	63	85	43	158
2007	41	30	19	130
2008	48	5	28	120
2009	181	23	28	110
2010	146	46	36	107
2011	38	37	33	107
2012	159	53	21	107
15-year average	75	53	57	186

<sup>1</sup> Fiscal year 2000 marked the last harvest from the Long term Contracts and the beginning of the Tongass "unification" effort which converted three separate "Areas," essentially separate National Forest sized entities, into a single large forest organization. (Three fully staffed organizations down to one.)  
 Source: Timber Cut and Sold Reports and Periodic Timber Sale Accomplishment Report.

Senator MURKOWSKI. That's what your agency says.

Mr. TIDWELL. Okay. So based on the market we've seen across the country our harvest levels have dropped, even though we've been able to maintain or actually increase what we're selling. That's how it works. The purchasers need to play the market as to when they can move forward to be able to do that. Our contract allows them the flexibility to decide what year to move forward with the harvest.

But as far as reassurances, we're ready to move forward with the Big Thorne project this year that will have a significant amount of volume. And at the same time, we have plans for the Wrangell project that will be coming up, I think next year. Then the other part of this is that we're going to move forward with our second growth, to be able to have that second-growth transition.

I think it is our best chance to ensure that we have an integrated wood products industry in Southeast Alaska, to be able to provide the wood that's needed in the sawmills, and at the same time be able to actually implement projects. It's one of those things that I think, through a stewardship contract, especially over a lengthy period like 10 years will provide that certainty so that private entities can make the investments in their mills. And that is the path forward.

So we're going to need your help in a couple of areas. There's another issue I want to talk to you about in the future. And that is if we could use the export values in our appraisal process, that would also help us to be able to put more of our timber, more sales, forward. And it's something that I'd like to be able to sit down with you in the future and discuss to see if we can get your support on that.

But I do believe that the sales that we have lined up, plus our focus on moving forward with the transition to second growth, is

going to give us the best path forward to be able to continue to build on a level of timber sales that we've been putting up over the last couple of years.

Senator MURKOWSKI. Well, Chief, you know that I am happy to talk with you. I'm happy to work with you, because I'm trying to keep some of these small Southeastern communities alive. And the one thing that I can't do is, I can't make these trees grow any faster.

And so when we talk about the transition, I've said it before, I will repeat again in this committee, I worry that we don't have our operators who are able to hold on until we can transition to that second growth, that you have situations just exactly as Senator Merkley has described in Oregon, where they had the Rough & Ready go down a few weeks ago, and now they've got another one going down. At some point in time, there is nobody left to deal with this transition.

And so I've pressed you to know whether or not the agency has a plan B, because I'm not sure that plan A, which is to transition to second growth, is one that is viable in an area where you have just 300 jobs remaining in the whole region. And it's getting skinnier every day.

So, Mr. Chairman, my time has expired right now. But I do think that this is something, again, we have this conversation every single year. And we're just not seeing things improve in the Tongass. So we've got to look at a different approach and one that will hopefully deliver some results for these communities.

Senator REED. Thank you, Senator Murkowski.

Senator Tester.

#### AIRTANKERS

Senator TESTER. Thank you, Mr. Chairman. Real quickly, to follow up on the contracted next-gen, just real quick just for clarification purposes. My notes say that you said that these planes, these contracted next-gen planes, will have FAA clearance to fly as airtankers. They have that now?

Mr. TIDWELL. It's my understanding that all except one aircraft, I think, still needs FAA certification. But the other aircraft have been used for other purposes, for passenger planes or cargo planes in the past. So we expect to have the FAA certifications.

But I can follow up with that, Senator.

[The information follows:]

#### NEXT GENERATION LARGE AIR TANKER FAA CERTIFICATION

Six of the seven next generation large airtankers proposed in the intent to award are FAA approved with a FAA Type Certificate.

Senator TESTER. Yes. Well, the question is, Do they have it or do you expect that they will have it?

Mr. TIDWELL. It's my understanding that these aircraft do have it, except there is one that made a modification with the airframe and they've been working on getting that certification.

Senator TESTER. Sure.

Mr. TIDWELL. I can check on that.

Senator TESTER. If you could check on it and get back to us, that would be very much appreciated.

I want to talk a little bit about this C-27Js. The chairman talked about it a little bit. You talked about it in your statement. Could you give me an idea, is the transfer in process of the seven C-27Js?

Mr. TIDWELL. It's my understanding the Air Force is doing the study to determine if these aircraft are surplus or not.

Senator TESTER. Okay.

Mr. TIDWELL. We're hoping that will be completed later this year, hopefully by September. If they determine that they're surplus, it's my understanding that seven of those aircraft will be offered to the USFS.

Senator TESTER. And what's the timeline for acceptance?

Mr. TIDWELL. I think once they're offered, we will accept them as quickly as we can and then move forward to make the modifications on those aircraft so that they can be retardant planes.

Senator TESTER. Okay. Is there a system available, a retardant delivery system available for that plane?

Mr. TIDWELL. Not today. We are moving forward with our current MAFFS units and to be able to create one that would fit into the C-27J. We're working on the design of that. Then once we have that design completed, we'd be able to quickly move forward to have these units built.

Senator TESTER. Okay. And not being a pilot myself, I would assume that these planes would also have to be cleared by the FAA to be tanker planes to fight fires?

Mr. TIDWELL. These planes do meet all the airworthy criteria, so it would be up to us to determine that they meet our airworthiness standards and that they would be able to deliver the mission. But based on the success we've had with the C-130s, we expect the C-27Js will work just fine. They just carry a smaller payload than the C-130s.

Senator TESTER. Do you know what their payload is?

Mr. TIDWELL. We anticipate that the payload would probably be about 1,800 gallons. So these would be medium airtankers.

Senator TESTER. The reason I ask that is because at one point in time they were going to put C-27s at the Air National Guard in Great Falls, Montana. And I don't know this for a fact, but it seemed to me like their payload was 2,000 pounds. But we can visit about that. We're not to a point where that becomes an issue yet.

What about service and maintenance? Will that be contracted out?

Mr. TIDWELL. Yes.

Senator TESTER. Do you anticipate there being issues there?

Mr. TIDWELL. No. We expect that probably some of our current operators would be glad to have a contract and be able to maintain and operate those aircraft.

Senator TESTER. Okay. And then you'd mentioned in a previous question or maybe in your opening statement that you thought it would be about \$3 million per aircraft to adapt the aircraft and place the delivery system in that aircraft. Is that based off of—what's that based off of? Have you guys done some studies on that, or what?

Mr. TIDWELL. It's based on our past experience with building MAFFS units. That's part of it. And then also realizing that we'd have to spend some money in order to remove some of the military



equipment and, like I said earlier, some of the armoring that's on these aircraft. It's not necessary for our mission, and we would look at removing some of that excess weight that wouldn't be necessary.

Senator TESTER. Okay. Overall, by the time you get done, let's just assume the military makes the transfer. You get seven of these babies. Are you looking at a \$21 million expenditure to make the adaptation and have them up in the air? Or have you done any projections on what it would cost to get them up?

Mr. TIDWELL. It will be probably be \$21 million and maybe \$26 million is what it will take.

Senator TESTER. Okay. All right. Thank you. Thanks for that. Just curious to see where we're at.

#### COLLABORATION

Look, as a regional forester in Region 1, the most important region, right? No, you don't have to answer that. You did some great collaboration. You did some great collaboration. And it really shows what can happen when you do collaboration versus what happens when both sides dig in. Everybody loses, including the forest.

And so are you looking to expand upon collaborative projects? I mean, look. Senator Merkley talked about it. Both the chairman and the ranking member talked about it. If we lose the infrastructure that's out there because we don't have predictable supply, then it all falls on the taxpayers, it all falls on your budget. Is there some work being done collaboratively in different regions of the country that we can point to that say, "Yes, we're making progress here," as far as stopping the folks who don't want to cut one single tree?

Mr. TIDWELL. Yes, Senator. Throughout the country, we've had significant progress that's been made. The collaborative forest landscape project is just one example. There is an understanding and recognition across this country that there is a need for us to manage these forests and to reduce not only the hazardous fuels, but to make them more resistant, more resilient to the changing climate they have to deal with.

So there is recognition, and we're seeing it almost everywhere. We still have some issues in your State of Montana where we've lost a little ground recently. But we're going to keep working there to be able to show folks, this is the right work that needs to be done at the right time.

Senator TESTER. Well, not to put pressure on the ranking member of this subcommittee, because she's the ranking member of another very important committee. But if we can get her out, maybe we can show her collaboration in Montana that does work. Thank you, Chief.

Senator REED. Thank you very much, Senator Tester.

Just for the record, we will keep the record open until May 29. So you may get additional questions from my colleagues, and additional statements could be provided. That's next Wednesday. But I know Senator Murkowski has a request. And before I adjourn, let me recognize Senator Murkowski.

Senator MURKOWSKI. Thank you, Mr. Chairman. Just very briefly.

Chief, you have provided us with the timber offered over the past 10 years in the Tongass and the Chugach; I appreciate that. We'd also asked for the number of employees and the breakdown between the Chugach and the Tongass so we have them, those positions that are approved, those that are currently filled.

Can your folks get us the breakdown then on the number of jobs then within the Tongass that are focused on forest management, just kind of give us that breakdown, if you will, when you respond?

[The information follows:]

TONGASS NATIONAL FOREST, FOREST MANAGEMENT STAFF

There are 112 positions in Forest Management in the Tongass National Forest Supervisor's Office and Ranger Districts.

TONGASS NATIONAL FOREST, FOREST MANAGEMENT ORGANIZATION

Location/ Series	Series Name	Number of Positions
	Supervisor's Office:	
0460	Forester .....	9
0462	Forestry Technician .....	3
0807	Landscape Architect .....	3
1315	Geologist .....	2
0193	Archeologist .....	1
0401	Recreation .....	1
1101	NEPA Coordinator .....	2
1082	Writer/Editor .....	1
0408	Ecologist .....	3
1035	Public Affairs .....	1
0802	Engineering Tech .....	2
0810	Engineer/Transportation Planner .....	2
1315	Hydrologist .....	1
0482	Fish Biologist .....	1
0470	Soils .....	2
2210	GIS .....	5
0301	NEPA Planner .....	2
0486	Wildlife Biologist .....	1
	Ranger District Offices:	
0460	Forester .....	24
0462	Forestry Technician .....	17
0404	Fish Technician .....	2
0193	Archeologist .....	5
0401	Natural Resource .....	6
1101	Specialist (NEPA, IDT Leader) NEPA Coordinator .....	2
1082	Writer/Editor .....	3
0408	Ecologist .....	1
1315	Hydrologist .....	2
0482	Fish Biologist .....	3
0470	Soils .....	1
0301	NEPA Planner .....	1
0486	Wildlife Biologist .....	3
	Total Number of Positions .....	112

Senator MURKOWSKI. And then in the Energy Committee, I had mentioned the Anan Creek facility. And I think we're working on a proposed solution for that. I understand that there's been some engineering work that has advanced. So hopefully, when we get you up to the State, we can see some good news there, as well.

But I look forward to visiting with you a little bit more and welcoming you north.

So, appreciate that, Mr. Chairman.

## ADDITIONAL COMMITTEE QUESTIONS

Senator REED. Thank you. There are no further questions. Let me thank you, Chief, and thank you, Ms. Cooper, for your testimony today. And we look forward to working with you.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

## QUESTIONS SUBMITTED BY SENATOR JACK REED

## FOREST AND RANGELAND RESEARCH

*Question.* What initiatives are you planning for next year that account for the \$15 million increase in Forest and Rangeland Research?

*Answer.* To be successful in our restoration efforts, Forest Service Research and Development (R&D) will play a critical role. Our R&D priorities are integral investments in science as a foundation for restoration activities. One avenue that we will take is to accelerate opportunities to develop new public/private partnerships to commercialize nanocellulose technologies. This will revolutionize technology, creating new jobs and revenues while simultaneously restoring our forests, thus strengthening America's economy through industrial development and expansion.

Forest Service R&D is investing in a Vibrant Cities program which will direct research efforts in selected urban areas to provide new information and tools to help in sustainability planning. Forest Service R&D will accelerate its urban research program on urban forest health and management, ecosystem services and values, watershed rehabilitation, human health and experiences, green infrastructure, and green building. This effort is aligned with the Vibrant Cities & Urban Forests National Call to Action initiative.

We will also invest more in our Localized Needs Research Priority Area, as directed by Congress in House Report 112-331, page 1080.

## STATE AND PRIVATE FORESTRY

*Question.* What do you hope to accomplish with the new, \$20 million Landscape Scale Restoration proposal?

*Answer.* The goal of the proposed Landscape Scale Restoration (LSR) Program is to focus and prioritize State and Private Forestry (SPF) resources to better shape and influence forest land use at a scale and in a way that optimizes public benefits from trees and forests across all landscapes, from rural lands to urban centers. This is an evolution of the successful SPF "Redesign" effort, formalizing a process already in place by establishing a specific Budget Line Item (BLI), rather than combining funds from specific BLIs. This will provide increased flexibility for States to focus on the priorities identified in their Forest Action Plans without the limitation of a predetermined mix of programmatic funding. The work under this BLI will continue to identify the greatest threats to forest sustainability and accomplish meaningful change in priority landscapes. As a competitive grant program, it will provide flexible opportunities to fund innovative projects across boundaries that focus on States' priorities.

*Question.* How are States with predominately State or privately owned forests but smaller "landscape," such as Rhode Island, likely to compete?

*Answer.* The increased focus on "All Lands" projects brings particular attention to implementation of the priorities identified in State Forest Action Plans, formerly called "Statewide Assessments." Landscapes will be defined broadly in this competitive grant program, focused on cross-boundary work between not only States and the Forest Service, but between States, between States and private landowners, between States and Tribes, etc. As such, States with large amounts of State and private land, such as Rhode Island, are expected to compete just as successfully as States with more Federal land. Over the past 5 years, Rhode Island has been successful in receiving project funding through the competitive "Redesign" process, and it is expected that success will continue under the LSR program, especially with Rhode Island's record of bringing partners, such as universities and nonprofits, into their competitive project process.

*Question.* Will this year's \$7 million reduction in Urban Forestry all go to Landscape Scale Restoration? Please detail the estimated State allocations vis-à-vis fiscal year 2013.

*Answer.* The Urban and Community Forestry (U&CF) program estimates that State allocations in fiscal year 2014 will be largely the same as in fiscal year 2013

and the U&CF program will continue to support landscape scale restoration efforts. In recent years, the U&CF program has contributed roughly 15 percent of fiscal net available dollars to “Redesign” projects, and similar levels are anticipated for future landscape scale restoration projects that can include urban areas. Of the total proposed reduction to the U&CF program, approximately \$3.6 million is the estimated contribution to “Redesign” or what will essentially be the LSR BLI. The U&CF program plans to make reductions in areas such as national partnerships and initiatives (e.g. Urban Waters Federal Partnership) to maintain the U&CF community assistance activities carried out primarily through State forestry agencies with the State allocations.

NATIONAL FOREST SYSTEM

INTEGRATED RESOURCE RESTORATION

*Question.* Please outline the findings for the first year of the Integrated Resource Restoration (IRR) pilot and what improvements you are making this year with that knowledge.

*Answer.* The pilot regions reported several advantages of the IRR program:

- Increased flexibility to fund multiple priorities, integrate planning efforts, leverage IRR funds to support Collaborative Forest Landscape Restoration projects, and to achieve priority integrated restoration work.
  - Increased coordination across program areas and increased integrated planning.
  - Implementing high-priority projects is easier without multiple budget line items because it provides more flexibility.
  - Focused investments in landscape-level projects allowed restoration actions to be funded in a single year that would otherwise be piecemealed over many years.
  - The focused, integrated effort made setting goals and priorities easier.
- Regions also identified challenges with the IRR program, including:
- The Forest Service manages a number of programs that may not directly contribute to restoration activities in IRR under the previous separate programs, presenting challenges in how we manage these base programs and how they fit in the context of a restoration program.
  - Not all restoration priorities will align with traditional targets as allocated from previous years with IRR authority.
  - The consolidated nature of IRR does not lend itself easily to breaking out the cost of specific restoration activities to estimate trends in unit costs.

We are addressing the challenges going into fiscal year 2014 through improved program direction and continuing communication between the Washington office and the three regions under the pilot authority.

An agreement was entered into with Colorado State University and the University of Oregon to accomplish third-party monitoring and evaluate the effectiveness of the IRR program. Surveys will be conducted with key Forest Service individuals at all levels and case studies will be evaluated within the pilot regions. Findings from these activities will ultimately help the Agency better manage the program.

*Question.* Why does the budget propose full implementation in fiscal year 2014, when the pilot project has not concluded?

*Answer.* The IRR pilot regions met or exceeded allocated targets in all areas except for timber volume sold, which was 82 percent of the target volume. Factors unrelated to IRR caused this shortfall, such as litigation on projects with significant portions of acres to be treated, no bids received on timber sales, and impacts from a demanding fire season. The IRR pilot authority has provided a valuable learning opportunity for the Agency. The flexibility provided by IRR facilitates focused investments on expediting the completion of on landscape-level restoration projects that would otherwise be split over the course of many years. It allows the Agency to leverage funds across multiple programs to increase efficiency in planning and in achieving restoration outcomes. The flexibility given to Line Officers and program managers has proven beneficial in helping with prioritizing restoration treatments. To fully realize the flexibility created through IRR, it must be expanded to a full Agency-wide authority. In doing so, the Agency can focus resources on integrated ecosystem restoration across the country.

The Forest Service will continue to monitor and report the performance results from the three regions under the IRR pilot authority to demonstrate the advantages of the program.

## RESTORATION PARTNERSHIPS

*Question.* What is the split between grants and “partnership development” in the \$10 million proposed for Restoration Partnerships?

*Answer.* This new authority is not a grant program. We propose a new \$10 million program to create and build partnerships for improving municipal and beneficial-use watersheds, reduce risks from wildfire to public utilities and infrastructure, and reduce biomass to sustain landscape fuel reduction and watershed investments. All of the funding would be used to support on the ground partnership work, a portion of which will fund staff work for those projects at a rate to be determined by the specific projects selected. Within Restoration Partnerships, funding will be allocated to a cost-share program and to partnership development with municipalities, public utilities, and other organizations. Partnership development will enable regions and forests to act on innovative partner supported ideas, with diverse partners including nongovernmental entities, municipal partners, and a variety of public service utilities.

*Question.* What match will be required from non-Federal partners?

*Answer.* There is no required match in Restoration Partnerships, but our target for fiscal year 2014 is to leverage \$11 million in partner funding for the \$10 million in requested Federal funding. In fiscal year 2012, the Forest Service entered into more than 7,700 grants and agreements with partners, who contributed \$535 million, which was leveraged by nearly \$779 million in Forest Service funding. However, Restoration Partnerships emphasizes the critical role of non-Forest Service resources across projects diverse in scope and duration. The Restoration Partnerships program will enable regions and forests to work with diverse partners to implement innovative projects that will expand the success of smaller scale projects to much larger landscapes. They will grow the circle of partners to include an increased number and broader array of municipal, utility, and nongovernmental organization partners. We will track the total value of resources, expressed as a ratio, leveraged through partnerships with States and other partners to assess performance in this newly proposed program.

*Question.* Do you anticipate National Forests in the East to participate?

*Answer.* Yes, all Forest Service regions will be able to respond affirmatively to partner sponsored projects to protect critical infrastructure such as electrical transmission lines, by reducing accumulated fuels, implementing municipal watershed restoration, and protecting and enhancing water quality and quantity.

## ADMINISTRATIVE GRAZING FEE

*Question.* What percentage of the Forest Service’s Grazing program costs will the new \$1 administrative fee cover?

*Answer.* We estimate that the proposed \$1 fee would generate approximately \$5 million per year, approximately 6.2 percent of the grazing program costs in fiscal year 2012. The total grazing program costs in fiscal year 2012 were \$80.9 million, with \$55.4 million covered by the Grazing Management BLI, \$2.3 million from the Range Betterment Fund, and the remaining \$23.2 million coming from Vegetation & Watershed Management and Integrated Resource Restoration BLIs.

*Question.* How much will this \$1 fee add to the total cost per animal?

*Answer.* Changes in the total cost per animal with an added \$1 fee per head month are shown below (Western States National Forest).

On average (based on the Agency’s 2012 Grazing Statistical Report authorized use data):

—This additional \$1 fee would add \$1 per cow/horse per month. Combined with the current fees, (\$1.35 per head month for cattle), this would make the total cost \$2.35 per cow per month.

—This additional \$1 fee would add \$.20 per sheep per month (one-fifth of a head month). Combined with the current fees (\$.27 per sheep per month), this would make the total cost \$.47 per sheep per month.

*Question.* What are the comparisons for Forest Service fees to State and private lands?

*Answer.* The grazing fee for the Forest Service and the Bureau of Land Management are identical in the western States. The National Agricultural Statistical Service (NASS) provides both agencies three indices that are used in the fee calculation formula. This amount is restricted to plus or minus 25 percent of the previous year’s fee. The regulations also established a minimum fee of \$1.35.

The NASS calculates the average private grazing land lease rate per animal unit month (AUM) by State, which can be found on the following website: [http://www.nass.usda.gov/Statistics\\_by\\_Subject/Economics\\_and\\_Prices/index.asp](http://www.nass.usda.gov/Statistics_by_Subject/Economics_and_Prices/index.asp).

These values are shown below. For comparison, the Forest Service cattle grazing in Western States fee is \$1.35 per head month (HM) for 2013. There are adjustment factors for type (species) of animal.

The Western States vary considerably in the fees charged for grazing on State lands and the methods used to set those fees. The GAO report titled "Livestock Grazing, Federal Expenditures and Receipts Vary, Depending on the Agency and the Purpose of the Fee Charged, 2005" provides the last data on State land grazing fees. Generally, States charge a fee per AUM. In fiscal year 2004, the Western States charged grazing fees ranging from a low of \$1.35 per AUM for some lands in California to \$80 per AUM in parts of Montana.

Below is a comparison of grazing fees on National Forest System lands, State managed lands, and privately owned lands.

State	\$/AUM West-ern States National For-est	Average \$/AUM Private Land	Difference NFS & Private lands grazing fees	Average \$/AUM State Land	Difference NFS & State lands grazing fees
AZ .....	1.35	9.00	7.65	2.23	0.88
CA .....	1.35	17.30	15.95	1.35-12.50	0.00-11.15
CO .....	1.35	15.30	13.95	6.65-8.91	5.30-7.56
ID .....	1.35	14.50	13.15	5.15	3.80
MT .....	1.35	19.40	18.05	5.48-80.00	4.13-78.65
ND .....	1.35	18.00	16.65	1.73-19.69	0.38-18.34
NE .....	1.35	27.30	25.95	16.00-28.00	14.65-26.65
NM .....	1.35	13.00	11.65	0.17-10.15	- 1.18-8.80
NV .....	1.35	13.00	11.65	N/A	N/A
OK .....	1.35	11.00	9.65	7.00-16.00	5.56-14.65
OR .....	1.35	14.80	13.45	4.32	2.97
SD .....	1.35	24.20	22.85	3.00-56.00	1.65-54.65
UT .....	1.35	13.20	11.85	1.43 or 2.35	0.08 or 1.00
WA .....	1.35	12.00	10.65	5.41 or 7.76	4.06 or 6.41
WY .....	1.35	17.60	16.25	4.13	2.78

AUM = Animal Unit Month = Head Month.

LAND ACQUISITION

*Question.* The first project on the Forest Service Land Acquisition list is \$31 million. Why does the budget place such a high funding priority on one project in fiscal year 2014? Is \$31 million all that is required to complete the project?

*Answer.* This request is part of the multi-Agency, public-private "Montana Legacy" collaborative. These investments directly fulfill the intent of the Land and Water Conservation Fund (LWCF) Collaborative Landscape Planning Initiative and address the requests of members of Congress and our private partners for a portion of Federal land acquisition to invest in the most ecologically important landscapes and in projects with clear strategies for reaching shared goals grounded in science-based planning. Through Collaborative LWCF, the Forest Service and the Department of the Interior bureaus jointly direct funds to projects that will achieve the highest return on Federal investments, and coordinate land acquisition planning with Government and local community partners.

In this Montana Legacy project, this collaborative land acquisition effort leverages millions in private investments such as a 110,000-acre donation to the Flathead and Lolo National Forests by the Nature Conservancy in 2010 and is resulting in the consolidation of tens of thousands of acres of the highest quality wildlife habitat and working lands in the northern Rockies. Eliminating the historic "checkerboard" lands will allow us to move toward completion and protection of this globally important ecosystem by 2015 instead of attempting it piecemeal over the next 10 or 20 years during which time parcels would be developed and lost, and it will result in improved management, reduced administrative costs and increased recreational opportunities.

*Question.* What should we expect from this Collaborative Landscape Planning program long-term? Will the same landscapes continue to be in the budget until they are completed, or will we see different focus areas next year?

*Answer.* In an era of constrained budgets, it is more important than ever that conservation investments deliver measurable returns, and rely on best available science and strong partnerships to target investments to critical needs. The administration's intention is for the Forest Service to continue to participate in the Collaborative Landscape Planning (CLP) program. The collaborative approach is successful be-

cause it allows LWCF funds to leverage other Federal resources, along with those of non-Federal partners, to achieve the most important shared conservation outcomes in the highest priority landscapes. An important objective of this program is to stabilize large landscapes in a short timeframe before they can be further fragmented and become more expensive if not impossible to protect. At the same time, the Forest Service recognizes the valuable role of protecting individual tracts of land with other LWCF components including Forest Legacy, and collaborative LWCF is not intended to replace the role of those programs in meeting individual conservation objectives.

Collaborative LWCF enables the Forest Service to continue its long held focus on conserving large-scale landscapes that provide multiple resource and economic benefits to the public including cleaner drinking water, increased recreational opportunities, improved and protected habitat for at-risk and game species, and a greater number of jobs generated on and off these lands. This approach also produces direct long-term benefits for the taxpayer by simplifying land management, creating public access, reducing operating and maintenance costs, reducing boundary conflicts, and protecting areas from urgent threats like wildfire and invasive species. Throughout this process, the Forest Service will continue to use its rigorous merit-based evaluation process to prioritize projects for funding for Forest Legacy, core and the multi-Agency CLP LWCF programs.

The investments needed in any particular collaborative landscape will be unique to that landscape's needs and resources. As part of the application process, landscape proponents are requested to identify future acquisition needs; to date, most projects are designed to take 2 to 3 years to complete, whether in the core competition or the CLP.

*Question.* For the Crown of the Continent, Longleaf Pine, and Desert Southwest Collaborative Landscapes, please provide a list of Forest Service projects within those Landscapes, designating completed and incomplete projects.

*Answer.* None of the Collaborative Landscapes are complete because only 1 year of funding has been disbursed. They are conceived as 2- to 3-year projects. Fiscal year 2013 is the first year of the Collaborative Landscape Planning Program. The first round of Collaborative Landscape Projects were selected in 2012, and announced in the administration's fiscal year 2013 budget request. The Crown of the Continent and Longleaf Pine projects areas were initiated in 2013. The Crown of the Continent initially included two sub-landscapes, which were the Montana Legacy Completion project and the Greater Yellowstone project. In 2014, these two projects were de-coupled and only the Montana Legacy Completion project received a funding recommendation. The Greater Yellowstone project will compete again in the fiscal year 2015 process.

The Desert Southwest Landscape was not proposed until fiscal year 2014. The Desert Southwest Collaborative is in the President's budget request to Congress for fiscal year 2014 for the first time therefore it is also not complete, as the fiscal year 2014 appropriations are not finalized.

	Fiscal Year 2013: FS Funded	Fiscal Year 2014 President's Budget Request
Crown of the Continent:		
Montana Legacy: Lolo/Flathead NF .....	\$12,400,000	\$31,000,000
Greater Yellowstone Area: Bridger-Teton/Carrizo-Targhee.	3,200,000	Proposed for \$2,000,000 by Forest Service, but not a CLP project.
Longleaf Pine Collaborative:		
Florida/Georgia Longleaf Initiative: Osceola NF.	5,300,000	Not included in CLP.
South Carolina Longleaf Partnership: Francis Marion NF.	<sup>1</sup> 1,000,000	\$6,700,000
Desert Southwest:		
California Desert Southwest: San Bernardino NF, Santa Rosa & San Jacinto NM.	10,390,000	\$10,390,000

<sup>1</sup> Core LWCF funding.

WILDLAND FIRE MANAGEMENT

*Question.* Do you agree that the ability to provide emergency firefighting funds is critical? Will you support efforts to provide an emergency or disaster designation for funds appropriated to pay for emergency firefighting needs?

**Answer.** In the past few years, fire seasons have become longer and more intense with historical fires in several Western States. Funding the rolling 10-year average with both the FLAME and Suppression funds is insufficient in some years which results in detrimental transfers. In addition, continued growth of the 10-year average adds increasing pressure on already tight discretionary funding. We would like to work with the committee to explore long-term solutions to this problem.

**Question.** How does fire borrowing negatively impact your other programs, even if Congress does provide a partial or full repayment at a later date?

**Answer.** When funding is transferred from other programs to support fire suppression operations, these programs are impacted because they are unable to accomplish priority work and achieve the overall mission of the Agency. Often this priority work mitigates wildland fire hazard in future years. The ability of programs to achieve established targets is impacted and projects are often put on hold or canceled. This not only impacts the ability of the Agency to fulfill its mission responsibilities, but is an inefficient use of taxpayer resources. A significant amount of money can be wasted if all of the pre-work for a contract has been completed and then it is canceled due to transfers. In addition, transfers negatively impact local businesses and economies, costing people jobs and income because projects are delayed or canceled. Examples of deferred or canceled activities include contracts not awarded for various priority Forest restoration projects, such as our Collaborative Forest Landscape Restoration projects, and ceased activity for land acquisition.

**Question.** The budget request recounts the accomplishments and benefits of programs that assist in reducing the incidence of catastrophic fire, yet these programs are proposed for decreases in fiscal year 2014 (hazardous fuels reduction, State and volunteer fire assistance, forest health management of pests and disease, and fire science). Aren't these reductions counter-productive to forest health and the Forest Service's stated goals of restoration, jobs and managing wildfires?

**Answer.** The budget reductions will result in lower targets and lower accomplishments. However, in times of reduced budgets, prioritization becomes even more important. Firefighter and public safety will remain our number one priority during the 2014 fire season. The Forest Service will continue to prioritize work to accomplish the most important projects in all of our programs. Specifically, the highest priority projects are focused where the threat is high, we can make a difference, and we have community partners.

**Question.** How much of the \$116 million decrease in Hazardous Fuels is transferred to the Integrated Resource proposal?

**Answer.** The fiscal year 2014 President's budget proposes \$201,228,000 for Hazardous Fuels, which reflects a funding decrease of \$115,848,000 from fiscal year 2013 including—a shift of \$76 million to IRR. Funds that may have been spent on hazardous fuels reduction outside the Wildland Urban Interface (WUI) in previous years will now be part of IRR to support integrated restoration of National Forest System lands. We will continue to focus on the highest priority areas in the WUI to protect communities and create defensible space for firefighters to work in.

**Question.** With such a dramatic decrease for Hazardous Fuels within Wildland Fire, how are you planning to set priorities for where work is performed?

**Answer.** The Forest Service continues to improve its processes for allocating fuel reduction funds, which prioritizes fuel reduction projects based on national priorities. These improvements include the use of a computer model developed by the Forest Service (the Hazardous Fuels Priority Allocation System, or HFPAS) to assist in making allocation decisions, rather than relying primarily on historical funding patterns and professional judgment. HFPAS uses data from various sources and considers wildfire potential, negative consequences of wildfire, program performance with prior years' allocations, and potential opportunities that meet other integrated resources objectives. The Agency annually updates the model inputs to use the best available data and science. The Forest Service also directs its regional offices to use a similar process and finer scale information. Additionally, we have directed the regions and field units to focus on projects where the threat is high, we can make a difference, and we have community partners.

**Question.** In your testimony, you disclose that almost half of the Forest Service budget is dedicated to fire-related activities. What solutions are you pursuing to make firefighting cost less? How do we tackle this problem so that Fire doesn't overtake other Forest Service functions and priorities?

**Answer.** We have made significant strides in implementing risk management for fire suppression efforts, to ensure we have an appropriate, risk informed, and effective response to all fires. Cost is one outcome of our decisions. By utilizing risk management techniques we are successful in having positive financial outcomes on our suppression operations. Based on analysis performed by Forest Service researchers, in fiscal year 2012, we spent nearly \$377 million less than we would have in pre-



vious years, had they had similar fire seasons, due to applying risk management principles.

*Question.* Sequestration will reduce your firefighting assets by at least 100 fire engines and 500 fire crew members. Are those figures still correct and what are the consequences for fighting fire this year?

*Answer.* Yes, we anticipate reductions at approximately this level (although the engines may be subject to a reduction of 50–100). However, we will ensure that there are adequate resources available to meet the demands of fire activity through the use of contracted assets as well as by managing the levels and location of seasonal employees available nationally.

*Question.* We currently use a 10-year average of suppression costs to predict the funding necessary for the next fiscal year. The fact that we have spent more than the 10-year average in 9 of the last 10 years, it is evident that this model is not reliable. Are you working on a different model, and what are the options?

*Answer.* We have only overspent the 10-year average in 7 of the last 10 years. Fire costs are dependent on several factors, primarily weather, that are extremely difficult to predict 2 years out, as is necessary to meet budget formulation timelines. We have explored several methods, including multi-equation regression models that include weather and climate data, to more accurately predict future costs and fire activity and have had some success. We will continue to work to develop these methodologies and would like to work with the committee to explore other options.

#### FIRE AVIATION

*Question.* Last year's budget included \$24 million to pay for increases in tanker contract costs for the Next Gen aircraft. The President's budget request for fiscal year 2014 has an additional \$50 million, but there is not a total specified in the budget for aviation. What is the total amount you are proposing to spend, in both Preparedness and Suppression, on firefighting aviation?

*Answer.* Total aviation expenditures are hard to predict given that a large portion of our costs are associated with actual flight hours for flying suppression operations. We do expect to spend between \$160 million and \$200 million on fixed availability costs for all aviation assets (this includes not only large airtankers, but other assets like helicopters and water scoopers) from the preparedness account. In addition, on average, we spend \$150 million to \$200 million on flight costs, which are paid from suppression. The additional funding will support the contract acquisition costs of the continued phasing in of modernized aircraft.

*Question.* Are we going to see similar increases every year for this activity due to the increasing number of aircraft? What are the estimates of how much additional funding new aircraft will cost in future years?

*Answer.* As we continue to modernize our airtanker fleet, we will evaluate the needs for fiscal year 2015 and beyond to determine if we will continue to ask for specific increased funding for this purpose, weighing our other funding needs within the Agency.

*Question.* Congress has given you the opportunity to obtain 7 C-27Js. If you do receive them, they will not be immediately ready as tankers. What are you able to do now to prepare for the transfer?

*Answer.* A working group, made up of the following Aviation staff groups, Operations, Business Operations, Airworthiness, Pilot Standardization, and Strategic Planning—as well as Budget and Planning and Acquisition Management—has been formed within the Agency to facilitate the transfer, ownership, and eventual operation of these aircraft. Solicitations are being prepared for the design and manufacture of a retardant delivery system, maintenance services, and pilot services. The Forest Service is also working with the U.S. Army Prototype Integration Facility to assist us with the design of the retardant delivery system. The Forest Service is currently in discussions with the Department of Defense regarding the divestiture of the C-27Js. The Forest Service has also intensified interaction and coordination with potential inter-Agency partners to ensure contracts and other logistical requirements will be in place as soon as possible after receiving the aircraft.

*Question.* Do you have an estimate of how long it would take to convert the C-27Js to tankers after a transfer?

*Answer.* The Forest Service estimates it may take up to 18 months from the award of the retardant delivery system contract to complete the design, manufacture and testing. The retardant delivery system is the most complicated of the conversion tasks, because it involves engineering analysis, design and airworthiness, and engineering approval of the aircraft after modifications required to accept the delivery system and the actual installation of the delivery system have occurred.

*Question.* What assurances can you provide that these C-27J aircraft will actually perform as well as other firefighting aircraft?

*Answer.* The C-27J was designed for combat purposes, which are a similar flight environment to the wildland firefighting airtanker mission. It has a demonstrated ability to meet Agency and Federal Aviation Administration airworthiness and safety requirements. The C-27J is a multi-role aircraft capable of operating as an airtanker, as well as performing other missions such as firefighter transport, smokejumper deployment, and cargo delivery.

*Question.* If you acquire the C-27Js, the Forest Service must maintain ownership of these aircraft, which is not your current model. What type of contract do you plan to use, and how much will the C-27Js cost to operate?

*Answer.* The Forest Service would retain ownership when the aircraft are transferred. The only contracts would be for pilot and maintenance services from private industry. We are still analyzing the potential operating costs.

*Question.* How do you propose to pay for the C-27Js, taking into account the continuing costs of the Legacy and Next Generation contracts?

*Answer.* The Forest Service would pay for C-27Js within our requested budget by implementing programmatic efficiencies and identifying firefighter resource allocation changes and reduction that will decrease our costs and maintain our operational capability. Programmatic efficiencies include implementation of optimized dispatching analysis, streamlining of our IT investments through the Wildland Fire IT initiative, and a decrease in programmatic overhead costs.

*Question.* The Air Tanker Modernization Strategy called for 18 to 28 large airtankers with at least a 3,000-gallon capacity, which is not possible for the C-27Js. Does that mean that you also plan to pursue other contract aircraft that meet the requirements set in your modernization strategy?

*Answer.* The C-27Js would be considered medium airtankers, but would meet most of the other requirements to be considered a Next Generation Airtanker. In effect, two C-27Js would equal one large airtanker referenced in the Large Airtanker Modernization Strategy. We will continue to contract for airtankers from private industry. Seven contracts have been awarded for the Next Generation Large Airtanker services which will continue this model, providing aircraft that fit within the Large Airtanker Modernization Strategy.

#### COMMUNITY WILDFIRE PROTECTION PLANS

*Question.* You also stated in your testimony that there are now 70,000 communities across the country at risk due to forest fires, but only 15,000 of those communities have wildfire protection plans. What incentives does this budget propose to improve that statistic?

*Answer.* The Forest Service prioritizes treatments identified in a Community Wildfire Protection Plan (CWPPs) or equivalent plan and works in close coordination with communities at risk in the Wildland Urban Interface. This includes providing funding for development of CWPPs and providing technical assistance directly to communities when they are undergoing preparation of a CWPP. However, there is no requirement for communities, counties or States to develop CWPPs.

*Question.* Why aren't more communities working on Fire Plans?

*Answer.* Community Wildfire Protection Plans (CWPP) are most prevalent in the western United States, where significant portions of counties are covered by Forest Service or Department of the Interior lands. The eastern and southern portions of the country, however, often use tools other than a CWPP to prepare for wildland fire (and other hazards) and to identify priority acres for treatment. A CWPP may not be the right tool in communities that are not close in proximity to Federal lands or in communities focused more broadly on multiple types of hazards, such as hurricanes.

*Question.* Other than the clear risk of fire, are there consequences for communities that do not want to create Fire Plans?

*Answer.* Community Wildfire Protection Plans are an important tool in helping communities prepare for wildland fire. The Forest Service prioritizes treatments identified in a CWPP or equivalent plan and works in close coordination with communities at risk in the Wildland Urban Interface (WUI). This coordinates with funding for the development of CWPPs and providing technical assistance directly to communities while they prepare a CWPP. However, there is no requirement for communities, counties or States to develop CWPPs. Therefore, not all National Forest System lands in the WUI are identified in a CWPP.

## QUESTION SUBMITTED BY SENATOR JON TESTER

*Question.* Within the next 2 weeks, Chief Tidwell will decide whether or not to override the next-generation large airtanker contract intent to award protest. Can you provide a status update?

*Answer.* On June 7, 2013, Neptune withdrew their protest. The Forest Service moved forward to award the remaining four line items in the next-generation large airtanker contract that same day.

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 QUESTIONS SUBMITTED BY SENATOR TOM UDALL

*Question.* Chief, as you know my State of New Mexico has experienced devastating wildfires the past 2 years, and we are now in our third year of extreme drought. I am concerned that the President's fiscal year 2014 budget request has a substantial reduction for the hazardous fuels program.

I realize that a direct budget comparison for your requested funding for hazardous fuels is complicated by the budget restructuring you request for the "Integrated Resources Restoration" (IRR) activity, but I understand that your request is about a 20 percent reduction from the current fiscal year 2013 level. (That assumes your hazardous fuels program budget of \$300 million for the current year, after the sequestration, and a request for fiscal year 2014 of \$201 million, plus perhaps \$40 million or so within the Integrated Resources Restoration account for hazardous fuels type projects.)

What do you expect the impacts to be if this reduction in hazardous fuels funding are maintained?

*Answer.* This reduction is just one of many difficult tradeoffs that had to be made, while fulfilling our commitment to request funding for the 10-year average for suppression funding.

The reduction in fuels funding will result in fewer acres of hazardous fuels treated, but still allows us to treat 685,000 of the highest priority acres each year. We will continue to focus on the highest priority areas in the WUI to protect communities and create defensible space for firefighters to work in. Funds that may have been spent outside the WUI in previous years will now be part of IRR to support integrated restoration of National Forest System lands.

*Question.* Will this reduction in funding for dealing with Hazardous Fuels make communities more at risk?

*Answer.* Firefighter and public safety will remain our number one priority. The Forest Service will continue to prioritize our work to accomplish the most important hazardous fuels projects. The highest priority projects are focused where the threat is high, where we can make a difference, and where we have community partners.

Scientific analysis and our monitoring have shown a strong correlation between hazardous fuel treatments and reduced wildfire behavior when a wildfire burns through a treated area. The treatments are also beneficial to fire suppression forces. We know these outcomes reduce risk to communities. However, because of the random nature of wildfires it is impossible to quantify the impacts of this reduction in terms of hypothetical increased risk or potentially less effective wildfire suppression.

*Question.* Chief Tidwell, it is my understanding that the President's fiscal year 2014 budget removes the Valles Caldera National Preserve line item, but that the Service intends to fund the Preserve through other Budget Line Items. The Valles Caldera National Preserve is very important to New Mexicans and we are very concerned that the Preserve continues to be well managed.

What kind of assurance can you give folks in my State that the elimination of this line item would NOT impact the continued funding of the preserve?

*Answer.* While the fiscal year 2014 President's budget does not propose a separate funding level for management of the Valles Caldera National Preserve, the Forest Service will continue to fund the Valles Caldera National Preserve through a variety of budget lines that are directly relevant to the work being completed. These fiscal year 2014 funds would support the integrated program management objectives of the Preserve.

The Preserve could expect to receive funding from the relevant budget line items (BLI) in the range of its historic appropriations under the former BLI, which would be approximately \$3 million at the fiscal year 2014 President's budget level.

## QUESTIONS SUBMITTED BY SENATOR LISA MURKOWSKI

## CUBE COVE ACQUISITION

*Question.* This is in regards to continuing discussions regarding the Forest Service's potential acquisition of Shee Atiká Incorporated's lands at Cube Cove on Admiralty Island. While it is my understanding there has been no final response, I have been told that the Forest Service staff has stated an intention to deny Shee Atiká request for a "mutually agreeable" appraiser. Shee Atiká believes that such a process is allowed by Forest Service Regulations.

What is the status of this request?

*Answer.* The Forest Service has looked further into completing an appraisal for the Cube Cove lands on Admiralty Island that could meet Government requirements that might be agreeable to Shee Atiká. In our May 3, 2013 response to them, we indicated that under the Federal Acquisition Regulations (FAR), activities related to the development of contract requirements and the source selection process for a Federal Government contract are inherently governmental and may only be performed by Federal employees.

*Question.* How does the Forest Service intend to move forward with Shee Atiká in a manner that protects the value and promise to Shee Atiká of the Alaska Native Claims Settlement Act, while also protecting the interests of the Forest Service?

*Answer.* Since Shee Atiká has expressed desire to have an active participatory role in the selection of the appraisal firm, the Forest Service has offered to appoint someone acceptable to Shee Atiká to be a temporary, uncompensated "special Government employee" (SGE). The SGE would have access to contractor and source selection information and could participate in the evaluation and source selection process to the extent permitted by the Forest Service. The Forest Service will need a willing seller letter from Shee Atiká prior to moving ahead with the contract acquisition process for the appraisal.

Shee Atiká wrote Chief Tidwell on May 10, 2013 respectfully requesting a meeting with him as soon as possible to further discuss the appraisal process. This meeting has not yet been scheduled. The Forest Service is also evaluating the mineral potential of the area to assess the risks of acquiring a split estate (surface only).

## AIR TOUR OPERATIONS

*Question.* I am hearing a great deal from my constituents in Ketchikan that the Forest Service's reduction of permit allocations in Misty Fjords National Monument and Traitors Cove in the Tongass will push air taxi businesses to the brink of financial collapse. As you know, tourism is becoming the predominant industry in Ketchikan, and your own budget puts a greater emphasis on the importance of outdoor recreation on our national forests to the national and local economies. The monument is accessible only by water and air, so any reductions to air permit allocations directly limits visitor access and the tourism dollars it generates. There is little evidence that the monument is threatened by visitor overuse. One air taxi company has seen its permits cut from 300 to 165; another from 1,600 to 1,191; and another from 500 to 298. These are real businesses providing jobs for real people. I don't know of many operators that can survive with a 45 percent cut to their business.

What are the other "uses" that the USFS is concerned that the air tour operators are negatively impacting?

*Answer.* We are concerned about the effects of motorized floatplane traffic on the wilderness character of Misty Fjords National Monument, the impacts of outfitters and guides on wildlife resources in the area, and conflicts between guided visitors and unguided public recreational use of the area.

In January 2012, the Ketchikan-Misty Fjords Outfitter and Guide Management Plan Final Environmental Impact Statement (FEIS) and Record of Decision (ROD) were completed which reduce commercial visitor use in the Misty Core Lakes. This decision established seasonal visitor capacities and outfitter and guide allocations for 28 Recreation Use Areas on the District. There is a perception that the decision reduced commercial visitor use at the Margaret Creek Wildlife Observation Site at Traitors Cove but this is not the case.

—The Ketchikan-Misty Fjords Outfitter and Guide (O/G) Management Plan EIS and ROD reduced commercial visitor use in the Misty Core Lakes area of the Misty Fjords National Monument Wilderness by about 27 percent.

—Contrary to public perception, the ROD allows for a 49 percent increase in O/G use at the Margaret Creek Wildlife Observation Site in Traitors Cove.

*Question.* What steps can be taken to help mitigate the current situation?

*Answer.* Due to concerns that limiting the amount and location of outfitter and guide use may not adequately provide for industry stability and growth, the Record

of Decision for the Ketchikan-Misty Fjords Outfitter and Guide Management Plan allocated 53,997 service days annually to outfitters and guides. The highest actual use reported by outfitters and guides between 2005 and 2009 was 24,245 service days. Thus, the decision allows outfitter and guide use across the Ketchikan-Misty Fjords District to increase over 100 percent from the reported highest use levels.

The Forest Service also met with commercial air service providers on May 6, 2013 in Ketchikan, Alaska, to discuss the issues you have raised, to explain what was in the actual decision, and to discuss the new permit allocations. At the conclusion of the meeting, the Forest Service committed to meet again with the air service providers at the end of the season to review actual use versus permitted use. The Ketchikan-Misty Outfitter and Guide Management Plan include an adaptive management strategy to allow changes to be made if experience shows they are needed.

Accordingly, by doubling the outfitter guide use across the District, and by incorporating a flexible adaptive management strategy to incorporate changes as needed in the future, the Ketchikan-Misty Fjords Outfitter and Guide Management Plan will facilitate growth of the industry while maintaining quality visitor experiences.

*Question.* How many non-air visits are made to Misty Fjords each year?

*Answer.* The Forest Service does not have reliable information about unguided visitor use numbers for Misty Fjords. Most unguided visitors access Misty Fjords National Monument Wilderness via motorized boat or sea kayak. Many of these visits are by local residents via privately owned boats. There is no practical way to know how many such visits are made.

*Question.* Is the USFS concerned that a number of these businesses will be put out of business if the current allocation numbers hold? What suggestions do you have, Chief, to help me resolve these disagreements?

*Answer.* The Forest Service has always been concerned about the economic health of rural communities throughout Southeast Alaska. The Alaska Region has made significant investment in a wide variety of resource areas to expand business opportunities across the Tongass. In this particular case, the Tongass National Forest limited the amount of outfitter guide use in one area to maintain its Wilderness character and quality visitor experiences, while allowing for growth in other areas of the Ketchikan Misty Ranger District.

#### TIMBER BUDGET NATIONALLY

*Question.* I, along with 12 of my colleagues, signed a bipartisan letter on May 2 to the President asking him to reconsider the reduction of national timber targets by 15 percent.

I understand that you are working with tight budgets, but can you explain to me why you reduced the timber targets so drastically when just last year you testified about the need to ramp up to 3 billion board feet as part of the agency's restoration strategy?

*Answer.* Continuing to increase the Agency's targets is challenging and will be slowed during the effort to reduce Federal deficits and the national debt. Based on the Integrated Resource Restoration (IRR) funding level proposed in the fiscal year 2014 President's budget, the expected output is approximately 2.38 billion board feet of timber volume sold. This budget request provides for continued strategic investments in the highest priority activities while also constraining spending in other activities to contribute to budget savings at the national level.

Approximately 51 percent of the funding for forest products is directed at preparing, offering, and selling new sales which is the basis for the output of timber volume sold. The remaining funding pays for administering the harvest of timber sales already under contract and handling "walk-in" business from citizens for firewood permits and special forest products. The Agency is contractually obligated to administer existing contracts and will continue to provide personal use permits for firewood and other special forest products. Thus, a 5 percent reduction in the total forest products program is actually a 10 percent reduction in funding available to prepare and sell new timber volume.

In addition, timber volume is not related to a single funding line item, but is a result of multiple National Forest System BLIs, Capital Improvement and Maintenance BLIs, permanent authorities, and trust funds. All of these funds were reduced by the sequestration and will continue to be constrained as we do our part to contribute to budget savings at a national level.

The fiscal year 2014 President's budget proposes a wide variety of management activities associated with IRR and is designed to balance the needs to maintain, enhance, or restore watersheds at the landscape level, and meet statutory requirements needed for sound resource management. We will also continue providing the public fuel wood program out of the decreased funds. The Forest Service continues

to explore ways to increase efficiencies to increase the pace of restoration through such things as NEPA efficiencies, stewardship contracting, and large scale projects.

*Question.* I note that you have increased your request for land acquisition by \$76 million—a 75 percent increase.

With 75 million to 80 million acres in need of restoration treatments, couldn't you reduce part of this request to keep on a path toward the 3 billion board foot goal? I would view taking care of what we already have as more important than adding more land that we can't take care of.

*Answer.* Land acquisitions are in response to public demand, as outlined in the America's Great Outdoors Initiative. The fiscal year 2014 program targets include new measures for acres acquired or donated using mandatory funds and high-priority acres acquired or donated using mandatory funds. For Land Acquisition, we propose a little more than \$58 million in discretionary funding; an increase of around \$8.2 million from fiscal year 2013 enacted levels after sequestration. We also propose almost \$34 million in mandatory funding, from the Land and Water Conservation Fund, for a combined total of \$92 million. All Land Acquisition projects are within National Forest boundaries and acquiring them will reduce confusion and costs associated with boundary management, landscape-scale conservation and fire suppression, as well as costs to communities providing services to remote and fragmented land ownership. Acquiring these proposed land acquisition projects will reduce overall management costs.

The Forest Legacy program is also important because funds are used to permanently protect working forests from development, helping to create and maintain rural jobs, conserve air and water quality, and provide habitat for threatened or endangered wildlife or fish. The increase is a key component of the President's America's Great Outdoors Initiative to conserve important landscapes and reconnect Americans to the outdoors. For the Forest Legacy Program, we propose \$60 million in discretionary funding; an increase of around \$9.5 million from fiscal year 2013 enacted levels after sequestration. We also are requesting \$24.8 million in mandatory funds, from the Land and Water Conservation Fund, for a total of \$84.8 million.

*Question.* Chief Tidwell stated that he would like to work with Congress on using "export" values in timber appraisals. What is this referring to exactly?

*Answer.* Current Region 10 policy uses export values for 50 percent of the spruce and hemlock volume in a timber sale appraisal, consistent with the volume we allow to be exported, and that has helped the program significantly since its inception. The Region could increase the percentage of exportable volume to 75 or 100 percent for spruce and hemlock and appraise accordingly with export values and might very well have more positive value sales available for offer. However, the result might be unacceptable in that mill jobs could be lost while logging and export processing jobs increased.

#### FIRE AND AVIATION

*Question.* I'm very concerned about the current state of our fixed wing airtanker fleet. You have included a request for \$50 million for airtanker modernization but there is virtually no indication of how these funds will be spent in your budget justification.

If these funds are provided, how exactly will they be expended?

*Answer.* The \$50 million that we have requested would help offset the additional cost for the next generation aircraft, plus the additional cost for the legacy aircraft. As anticipated, legacy aircraft expenses have gone up with the new contract. Additionally, the funds would help cover cancellation charges for which we are required to budget.

*Question.* The agency recently awarded a contract for "next generation" air tankers but it was reported last week that one company already plans to file a bid protest.

Can you tell us how long will it take to resolve the bid protest?

*Answer.* Neptune Aviation has withdrawn their protest as of Friday, June 7, 2013. Three of the line items from the next generation large airtanker contract were awarded on May 31, 2013. The remaining four were awarded on June 7, 2013 following Neptune Aviation's decision to withdraw their protest.

*Question.* Neptune Aviation, the company filing the bid protest, has met with my staff and claims that even if they had not filed a protest the "next generation" aircraft would not be ready to be in the air for several months. How do you respond to that claim?

*Answer.* One airtanker awarded on May 31 is currently approved and operating under the next generation contract. The other six aircraft are scheduled for retard-

ant tank testing and we expect them to meet the timeline of operating 60 to 90 days after the award.

*Question.* Without these new tankers, how many airtankers will you have at your disposal?

*Answer.* We do expect to have the new next generation large airtankers in operation this fire season, however without them we should have 16 to 18 airtankers on current or potential exclusive use or call when needed contract.

Last year's Defense Authorization bill included language concerning surplus C-27J aircraft operated by the military. The language gave the Forest Service the opportunity to possibly obtain some of these aircraft if the military declared them as surplus. I also understand the Coast Guard and National Guard have an interest in these aircraft.

*Question.* How many of these C-27Js may be declared surplus by the military and what can you tell us about the likelihood of the Forest Service obtaining these planes compared to the other agencies?

*Answer.* The C-27J aircraft being excessed by the Department of Defense would be available through the National Defense Authorization Act (NDAA), which allowed for up to seven aircraft to be transferred to the Forest Service. The NDAA gives right of first refusal to the Secretary of Agriculture.

*Question.* Even if you obtain these aircraft, how long will it take to get them ready to drop retardant? It is my understanding that the interior tanks ("MAFFS" units) have not been designed yet for these planes.

*Answer.* The transfer timeline of the C-27Js is dependent on the Department of Defense. The Forest Service is ready to take ownership of these aircraft. Long-term plans will depend on interest from the U.S. Coast Guard and other Federal agencies in the C-27J. None of the MAFFS systems will fit into the C-27J. A new design will need to be created which incorporates the latest in technology and lighter weight components. In order for these aircraft to be used as medium airtankers, the Forest Service will have to solicit for contract services to design and manufacture retardant delivery systems, which is expected to take up to 18 months. If the Forest Service receives the aircraft sooner rather than later, one or more might be configured for general fire support missions such as firefighter or cargo transport later this fire season.

#### INTEGRATED RESOURCE RESTORATION

*Question.* For the past 3 years, the agency's budget request consolidates several programs including timber, wildlife, and planning into one line item called "Integrated Resource Restoration." Currently, you have authority to operate a pilot for this program in Regions 1, 3, and 4. I personally believe we need to see concrete results that demonstrate improved performance before we can approve such an approach for all Regions on a permanent basis.

My staff has told me that they have been briefed by the agency and there is still not sufficient information to determine whether the IRR lowers costs and achieves better results on the ground.

Why does the agency continue to propose this consolidation when the information the committee needs to make an informed decision is simply not available?

*Answer.* The flexibility provided by the Integrated Resource Restoration program (IRR) has allowed focused investment on landscape-level restoration projects that otherwise have been split into several projects over the course of many years. To fully realize the flexibility of budget line items created through IRR, it must be expanded to a full Agency-wide authority. In doing so, the Agency can focus resources on integrated ecosystem restoration across the country.

The Forest Service issued a progress report on April 15, 2013, describing the results of the IRR pilot program for fiscal year 2012. In 2012 the IRR pilot program exceeded or met its targets for moving watersheds to an improved condition class, acres treated to sustain or restore watershed function and resilience, miles of stream habitat restored or enhanced, and miles of road decommissioned. The pilot regions achieved over 80 percent of their target for timber volume; the shortfall was due to litigation in the pilot region independent of the IRR authority. The Forest Service will continue to monitor and report the performance results of the IRR pilot regions.

The fiscal year 2014 President's budget continues to emphasize Integrated Resource Restoration as the leading approach to accomplish on-the-ground restoration. This work will lead to improved forest and grassland health and resilience using landscape scale restoration to recover watershed health and improve water and create or maintain local economic opportunities and jobs.

*Question.* When do you anticipate having comprehensive quantitative measures by which the committee can decide whether moving to the IRR is a better approach than the current budget structure?

*Answer.* The Forest Service issued a progress report on April 15, 2013, describing the results of the IRR pilot program for 2012. The Agency has initiated a third-party monitoring of IRR with Colorado State University and the University of Oregon; it will begin June 2013 and be completed by March 2015. While we can already provide quantitative measures on outputs and outcomes as provided in response to the prior question, we will continue to work with the committee to provide needed information.

The IRR accomplishments for Regions 1, 3, and 4 are presented below for fiscal years 2008 to 2012 as are the accomplishments for non-IRR regions for comparison. The regions began implementation of the IRR pilot authority in fiscal year 2012 with passage of the Consolidated Appropriations Act of 2012.

IRR PILOT REGIONS 1, 3, AND 4

Region	2008	2009	2010	2011	2012
<b>Region 1:</b>					
Miles of stream habitat restored or enhanced ....	297	420	657	396	426
Miles of roads decommissioned .....	346	363	561	257	383
Acres treated annually to sustain or restore watershed function and resilience .....				246,695	307,420
Number of watersheds moved to an improved condition class .....					2
Volume of timber sold (million board feet) .....	240.2	293.1	256.9	210.6	206.1
<b>Region 3:</b>					
Miles of stream habitat restored or enhanced ....	121	177	127	151	162
Miles of roads decommissioned .....	46	103	25	57	69
Acres treated annually to sustain or restore watershed function and resilience .....				296,944	198,574
Number of watersheds moved to an improved condition class .....					
Volume of timber sold (million board feet) .....	123.5	111.9	138.6	131.9	124.4
<b>Region 4:</b>					
Miles of stream habitat restored or enhanced ....	232	296	355	238	346
Miles of roads decommissioned .....	162	320	792	325	286
Acres treated annually to sustain or restore watershed function and resilience .....				222,789	283,795
Number of watersheds moved to an improved condition class .....				3	1
Volume of timber sold (million board feet) .....	117.0	103.5	112.9	118.7	110.7

The number of watersheds moved to an improved condition class and acres treated annually to sustain or restore watershed function and resilience were both new performance measures in fiscal year 2011. There are no prior data for these two measures.

Volume of timber sold, miles of roads decommissioned, and miles of stream habitat restored or enhanced are traditional accomplishments, but because fiscal year 2012 was the first official year for IRR, it is difficult to establish valid IRR related trends at this time. We began implementation of the Watershed Condition Framework in fiscal year 2011 and it takes 3 to 7 years to restore a watershed. Therefore, we expect the number of watersheds moved to an improved condition class to show an increasing trend in future years.

Regions not included in the IRR pilot program below are the IRR corollary accomplishments for Regions 2, 5, 6, 8, 9, and 10 for fiscal years 2008 to 2012.

REGIONS NOT IN THE IRR PILOT

[Regions 2, 5, 6, 8, 9, and 10]

Region	2008	2009	2010	2011	2012
<b>Region 2:</b>					
Miles of stream habitat restored or enhanced ....	90	140	108	142	222
Miles of roads decommissioned .....	354	287	290	254	300



## REGIONS NOT IN THE IRR PILOT—Continued

[Regions 2, 5, 6, 8, 9, and 10]

Region	2008	2009	2010	2011	2012
Acres treated annually to sustain or restore watershed function and resilience .....				216,956	214,430
Number of watersheds moved to an improved condition class .....					
Volume of timber sold (million board feet) .....	259.9	243.4	222.3	204.7	241.3
Region 5:					
Miles of stream habitat restored or enhanced ....	281	1,163	426	449	465
Miles of roads decommissioned .....	51	94	83	249	274
Acres treated annually to sustain or restore watershed function and resilience .....				164,183	249,641
Number of watersheds moved to an improved condition class .....					3
Volume of timber sold (million board feet) .....	202.8	310.3	335.6	311.4	299.8
Region 6:					
Miles of stream habitat restored or enhanced ....	369	373	702	696	773
Miles of roads decommissioned .....	151	347	372	198	208
Acres treated annually to sustain or restore watershed function and resilience .....				302,055	464,793
Number of watersheds moved to an improved condition class .....					1
Volume of timber sold (million board feet) .....	628.0	584.4	576.7	547.6	605.6
Region 8:					
Miles of stream habitat restored or enhanced ....	509	486	551	756	670
Miles of roads decommissioned .....	93	104	204	81	337
Acres treated annually to sustain or restore watershed function and resilience .....				925,362	556,688
Number of watersheds moved to an improved condition class .....					2
Volume of timber sold (million board feet) .....	515.2	466.9	502.1	542.4	557.2
Region 9:					
Miles of stream habitat restored or enhanced ....	382	353	476	969	554
Miles of roads decommissioned .....	81	144	193	103	223
Acres treated annually to sustain or restore watershed function and resilience .....				211,227	246,116
Number of watersheds moved to an improved condition class .....					
Volume of timber sold (million board feet) .....	391.7	371.5	400.7	421.4	446.6
Region 10:					
Miles of stream habitat restored or enhanced ....	67	91	173	81	87
Miles of roads decommissioned .....	7	15	29	17	23
Acres treated annually to sustain or restore watershed function and resilience .....				37,805	40,907
Number of watersheds moved to an improved condition class .....				1	
Volume of timber sold (million board feet) .....	5.4	22.9	45.9	44.2	52.5

## ANAN CREEK FLOAT DOCK STATUS

*Question.* Anan Creek, located 30 miles southeast of Wrangell, Alaska, in the Tongass National Forest, is home to one of the largest pink salmon runs in Southeast Alaska, making it an ideal spot to watch black and brown bears, bald eagles and sea lions. The Forest Service maintains an observation platform for visitors. However, the area is only accessible by floatplane or boat.

Several air charter service companies offer trips to Anan from local communities, especially Wrangell and Ketchikan. However, the current docking system in Anan Bay is only suitable for ideal weather conditions usually encountered during the summer months.

I understand that a new docking facility is needed, as the current situation has become a safety hazard, leading to sunken and damaged boats and planes. This issue was raised at public meetings with the Forest Service earlier this year and I understand the Forest Service has done some preliminary engineering work there.

Chief, I mentioned this issue to you in our ENR hearing last month and wanted to ask if you had a chance to look into it and give us a status update on the situation.

Answer. Access from the beach to the existing Anan Trailhead has been a management concern since we began allowing commercial use. Some type of dock, or other mooring, has been identified as a need. Although it has been identified as a need, available funding has been allocated to higher priority safety and health concerns, such as minimizing bear-human encounters and proper handling of human waste at the site.

Some work has been completed on a long-term solution for improving safety and accessibility of the bear viewing facilities. Conceptual designs have identified several options; the most practical option is a floating dock that could be beached in the off season. One potential site is at the head of the cove near the Forest Service cabin. This would complement the existing small float, but it may conflict with use of the cabin.

Another site being evaluated is in the cove where the Anan Administrative Facility is anchored. Integrating the dock into that floating facility has advantages. Connecting the floating dock to a staircase would make it more difficult to ensure an accessible facility, however. Finally, it may be difficult to construct accessible trails from the dock to the current trailhead.

In short, the Tongass National Forest is aware of the issues and is evaluating the best way to resolve them. Further NEPA analysis will be necessary before a dock or mooring facility can be built.

NUMBER OF FOREST SERVICE EMPLOYEES IN SE

*Question.* The State of Alaska has a large percentage of Federal employees living in our State. These Alaskans are paid good wages and are important contributors to our economy, especially in many rural places throughout the State. These folks are our little league coaches, neighbors and community leaders.

I'm concerned about the downturn of timber harvesting and the loss of related jobs on the Tongass. And I hear you saying that one of the reasons for this downturn is tight resources. I understand that you have over 350 employees working on the Tongass.

While I understand that the Tongass is expansive with several Ranger Districts working 17 million acres of land, I want to make sure you have enough people working on arguably the most important mission priority of the Service—one that promotes private sector jobs in these rural areas.

How many employees do you have working on timber?

Answer. There are 112 positions in Forest Management in the Tongass National Forest Supervisor's Office and Ranger Districts.

TONGASS NATIONAL FOREST, FOREST MANAGEMENT ORGANIZATION

Series	Series Name	Number of Positions
	Supervisor's Office:	
0460	Forester .....	9
0462	Forestry Technician .....	3
0807	Landscape Architect .....	3
1315	Geologist .....	2
0193	Archeologist .....	1
0401	Recreation .....	1
1101	NEPA Coordinator .....	2
1082	Writer/Editor .....	1
0408	Ecologist .....	3
1035	Public Affairs .....	1
0802	Engineering Tech .....	2
0810	Engineer/Transportation Planner .....	2
1315	Hydrologist .....	1
0482	Fish Biologist .....	1
0470	Soils .....	2
2210	GIS .....	5
0301	NEPA Planner .....	2
0486	Wildlife Biologist .....	1
	Ranger District Offices:	
0460	Forester .....	24
0462	Forestry Technician .....	17

TONGASS NATIONAL FOREST, FOREST MANAGEMENT ORGANIZATION—Continued

Series	Series Name	Number of Positions
0404	Fish Technician .....	2
0193	Archeologist .....	5
0401	Natural Resource .....	6
1101	Specialist (NEPA, IDT Leader) NEPA Coordinator .....	2
1082	Writer/Editor .....	3
0408	Ecologist .....	1
1315	Hydrologist .....	2
0482	Fish Biologist .....	3
0470	Soils .....	1
0301	NEPA Planner .....	1
0486	Wildlife Biologist .....	3
Total Employees Tongass National Forest .....		112

CONCLUSION OF HEARINGS

Senator REED. With that, the hearing is concluded.  
 [Whereupon, at 11:01 a.m., the hearings were concluded, and the subcommittee was recessed, to reconvene subject to the call of the Chair.]



**DEPARTMENT OF THE INTERIOR, ENVIRONMENT, AND RELATED AGENCIES APPROPRIATIONS FOR FISCAL YEAR 2014**

U.S. SENATE,  
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,  
*Washington, DC.*

NONDEPARTMENTAL WITNESSES

[CLERK'S NOTE.—The subcommittee was unable to hold hearings on nondepartmental witnesses. The statements and letters of those submitting written testimony are as follows:]

PREPARED STATEMENT OF THE AMERICAN ASSOCIATION OF FISH VETERINARIANS

Dear Chairman Reed and members of the subcommittee: We are writing in support of the U.S. Fish and Wildlife (FWS) Aquatic Animal Drug Approval Partnership (AADAP) program. Current proposed budget cuts will effectively eliminate the critical services that AADAP provides to all fisheries professionals and the aquaculture industry in the United States. The American Association of Fish Veterinarians (AAFV) is an association of licensed veterinarians that works in the area of aquatic animal medicine. A central function of our organization is to advance the quality and stature of clinical fish veterinary practice and provide safe and effective treatments for fish. We rely heavily upon the AADAP program to assist in the approval process for new animal drugs used in the various aspects of fish medicine and the aquaculture industry. We respectfully request through this letter that current levels of funding at \$1,790,000 and current full-time equivalents (FTEs) of the staff be maintained to continue AADAP's mission.

The AADAP program works in a unique partnership with Federal, State, and private enterprise to provide safe and efficacious drugs and other tools used to work with fisheries resources in the United States. In the early 1990s, the Federal Food and Drug Administration (FDA) announced that all fisheries drugs would need to go through the same approval process that is required of other animal species. The aquatic animal industry is small in comparison to terrestrial animal species production and thus it does not attract investment by private drug companies as the investment returns are limited. Fisheries professionals have had to step up to the challenge and take on the drug registration process on their own. The development and approval of new animal drugs is quite complicated and expensive. The New Animal Drug Application (NADA) process has six study sections that must be completed favorably to FDA standards prior to approval which takes many years of research to complete and considerable investment of time and financial resources. Although we all participate in this process, the AADAP program has taken up the lead in coordinating the National Investigational New Animal Drug (INAD) Program (NIP). Through the years, the NIP has allowed for a wealth of important ancillary efficacy and target animal safety data to be generated and this has been used in supporting new animal drug approvals for drugs and therapeutants that we can use.

Many species of fish are produced by the U.S. aquaculture industry which includes the FWS, State, and private fish hatcheries. These fish are used for recreational and commercial fishing and for private sales with one commonality, most of these fish like other veterinary species are considered a food animal. The food animal classification carries a special stigma with the FDA and the general public which requires these fish to be produced in safe and unadulterated manner. People want to know that the fish they caught or the one they bought in the grocery store is safe. This health and human safety issue is a huge responsibility for aquatic ani-

mal veterinarians who diagnose disease and prescribe drug treatments and for those involved with aquaculture. There must be adequate numbers of drugs available for treatments that are efficacious so that misuse or overuse of any individual drug does not promote antimicrobial resistance that could affect efficacy of human drug treatments. (Currently, we work with a very limited armamentarium of approved drugs/therapeutics.) We must know withdrawal times to ensure that there is no drug residue or adulteration of the human food supply. Drugs must also be safe for the target animal and for the people who administer them. AAFV feels that the human health and safety concern would be magnified tremendously if the AADAP program is defunded or eliminated and it would have far reaching deleterious effects on fish veterinary practice and for fisheries biologists collecting data in the field.

We understand that tough decisions must be made in difficult budget times but the AADAP program is money well spent. The aquaculture industry has a significant impact on the American economy providing jobs and billions of dollars to local economies. It is estimated that 33 million Americans fish recreationally, and salt-water fishing alone generates \$73 billion in economic impact. Do we want to defund a program that helps protect an industry that has this much of an economic impact which essentially pays for itself over and over in new tax revenue? We believe that this would be a mistake. On behalf of the AAFV and its membership we encourage the Senate Appropriations Committee to maintain the AADAP program at its current funding level of \$1,790,000. We welcome contact to answer any questions or concerns you may have over this issue and thank you for your consideration of our proposal.

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PREPARED STATEMENT OF THE ASSOCIATION OF ART MUSEUM DIRECTORS

Thank you for the opportunity to submit a statement for the record regarding fiscal year 2014 appropriations for the National Endowment for the Arts (NEA) and the National Endowment for the Humanities (NEH). We respectfully request that the subcommittee approve a funding level of \$155 million for the NEA and \$155 million for the NEH, which would restore them to their fiscal year 2011 levels.

In a statement submitted last year, we provided information about an upcoming exhibition—Children of the Plumed Serpent: The Legacy of Quetzalcoatl in Ancient Mexico—that had received support from both the NEA and the NEH. Now that the exhibition has run its course, we thought that members of the subcommittee might be interested in its impact.

During its 3-month run at the Los Angeles County Museum of Art (LACMA), 83,162 people attended. In addition:

- 310 K–12 teachers attended “Evenings for Educators,” which present strategies to incorporate the visual arts into the classroom. The programs included a lecture, gallery tours and activities, and hands-on workshops. Educators received curriculum materials containing a thematic essay on the exhibition, color prints, lesson plans, and a CD of additional resources. All programs were interdisciplinary and aligned with California State content standards.
- 37 school groups were given tours led by docents.
- 2,800 people attended four Sunday afternoon programs for children and their families focusing on the exhibition. Families enjoyed dance and art workshops and learned how artists in ancient southern Mexico were inspired by the ancient Plumed Serpent god, Quetzalcoatl. A musical performance was held on the BP Grand Entrance featuring La Banda Filarmonica Maqueos. Bilingual gallery tours (Spanish/English) were led by Education Gallery Teachers. Like Evenings for Educators, Family Sundays are privately supported.
- Seven buses were provided for families from communities throughout Los Angeles County, including Cypress, Glendale, North Hollywood, Pacoima, and south-central Los Angeles, to attend the four programs; approximately 450 participated. Outreach and transportation are privately supported.
- In conjunction with the exhibition, LACMA worked with the nonprofit organization 826LA to design a series of writing workshops. The final workshop included a visit to LACMA and a curator-led tour of the exhibition. LACMA provided two free buses and free admission for students and their families to visit the museum.
- More than 1,000 people participated in other public programs including lectures, panel discussions, and a teen event.

After closing in Los Angeles, Children of the Plumed Serpent traveled to the Dallas Museum of Art, where total attendance was 34,953. As at LACMA, the museum in Dallas also built significant programming around the exhibition.

This exhibition, which received grants from both the NEA and NEH, is merely one example of the great work that both agencies support, and that directly benefits large numbers of people across the country.

As mentioned in last year's statement, the exhibition also received Federal support through the arts indemnity program.

Offered by the Federal Council on the Arts and the Humanities and administered by the NEA, the indemnity program has played a vital role in many of the most important traveling exhibitions in this country since it was established in 1975. Without it, many objects would not be able to travel to and within the United States.

That some exhibitions may not go forward without indemnity was proved to the subcommittee's satisfaction in 2007, when it expanded the program to cover purely U.S. exhibitions (previously the program only covered exhibitions with a substantial foreign component). At that time, subsequent to Hurricane Katrina, insurance companies had recalculated their loss estimates, and insurance became much more expensive and difficult to obtain, especially in zones prone to events such as hurricanes, floods, and earthquakes. Important exhibitions had either been curtailed or cancelled purely because of the rise in insurance costs. The private insurance industry supported our request to extend indemnity to domestic exhibitions, because it benefits from being able to insure part of an exhibition rather than none if the exhibition does not go forward at all.

The amount that museums save in insurance fees far surpasses the total direct grants that NEA makes to museums. Last year, the savings was about \$30 million, according to AAMD's 2013 Statistical Report. Over the 38 years of the program, it has extended indemnity to about 1,200 major exhibitions and saved museums about \$375 million in insurance payments. Over the same period there have been just two claims because the program has very rigorous requirements regarding what it will insure and what procedures must be followed in terms of packing, shipping, and guarding works of art. The two claims together came to just \$104,700.

The total dollar amount of indemnity agreements for international exhibitions that can be in effect at any one time is \$10 billion. The corresponding figure for purely domestic exhibitions is \$5 billion. While these numbers sound large, two important facts must be noted. First, they do not represent actual outlays by the U.S. Government; and second, individual objects can be exceedingly valuable, sometimes running into the scores of millions of dollars. As the market continues its seeming inexorable rise, the value of exhibitions rises as well.

Last year, the international indemnity program received requests to cover exhibitions worth nearly \$16 billion, while the amount requested for domestic exhibitions was nearly \$6.3 billion. Because not all exhibitions are going to be up at the same time, the program has been able to grant all qualified requests without exceeding the respective caps of \$10 billion for international and \$5 billion for domestic, but in some cases not at the full amount requested, meaning that some museums had to find private insurance or curtail their exhibitions.

Over the life of the program, Congress has consistently raised the international cap at intervals of as little as 2 years and as many as 8. It is now 8 years since either cap was raised and we suggest that the statistics show that the time is approaching for another adjustment.

We suggest as well that the subcommittee look into the possible benefit of lowering the threshold value of exhibitions that can be covered.

Thank you again for the opportunity to submit testimony for the record.

#### ASSOCIATION OF ART MUSEUM DIRECTORS

The Association of Art Museum Directors (AAMD) is composed of the directors of more than 200 art museums in the United States, as well as several in Canada and Mexico. Its mission is to support its membership in fostering vibrant communities. The AAMD has been a grantee of the NEA in the past.

#### PREPARED STATEMENT OF THE AMERICAN ASSOCIATION OF PETROLEUM GEOLOGISTS

To the chair and members of the subcommittee: Thank you for this opportunity to provide testimony on behalf of the American Association of Petroleum Geologists (AAPG) about the importance of the geological programs conducted by the U.S. Geological Survey (USGS).

AAPG is the world's largest scientific and professional geological association. The purpose of the association is to advance the science of geology, foster scientific research, and promote technology. AAPG has more than 38,000 members around the world, with roughly two-thirds living and working in the United States. These are

the professional geoscientists in industry, government, and academia who practice, regulate, and teach the science and process of finding and producing energy resources from the Earth.

AAPG strives to increase public awareness of the crucial role that the geosciences, and particularly petroleum geology, play in our society. The USGS is crucial to meeting these societal needs, and several of its programs deserve special attention by the subcommittee.

#### HYDRAULIC FRACTURING

##### *Multiple Programs*

As part of the effort to improve America's energy security, save consumers money, and maintain United States leadership in emerging energy technologies, the USGS, the U.S. Department of Energy (DOE), and the Environmental Protection Agency (EPA) have developed an interagency plan that aims to understand the potential environmental, health, and safety impacts of hydraulically fractured oil and gas resources.

AAPG would like to emphasize that while hydraulic fracturing technology continues to evolve, it is not a new technology and we have substantial knowledge about its impacts as well as evidence of its long-term safety. This should form the basis for any new research. The AAPG supports the USGS budget increase in fiscal year 2014 that will support research efforts that include resource assessments and characterization; water quality; water availability; ecological impacts; effects on people and their communities; and induced seismicity.

#### GEOLOGIC RESOURCE ASSESSMENTS

##### *Energy Resources Program*

The USGS Energy Resources Program (ERP) conducts both basic and applied geoscience research focused on geologic energy resources (both domestic and international), including oil, natural gas, coal, coalbed methane, gas hydrates, geothermal, oil shale, and bitumen and heavy oil.

An urgent problem addressed through the ERP is the preservation of geological and geophysical data. The Energy Policy Act of 2005 (EPACT 2005, Public Law 109-58) includes section 351, Preservation of Geological and Geophysical Data. This program is helping to preserve geological, geophysical data, and engineering data, maps, well logs, and samples. It includes development of a national catalog of this archival material, and providing technical and financial assistance related to the samples and materials. As the act stipulated, the USGS created the National Geological and Geophysical Data Preservation Program (NGGDPP). Since the beginning of this program, however, it has received insufficient funding to accomplish all of the objectives set out in the authorizing language.

Why is preservation important? Responsible management and efficient development of natural resources require access to the best available scientific information. Over many years industry, such as petroleum and mining companies, has invested billions of dollars to acquire geological and geophysical data. Because of changing company focus and economic conditions this data may no longer have value to the company that acquired it, and is in jeopardy of being discarded.

But this data still has value to society. The data is valuable for further natural resources exploration and development, and can be applied to basic and applied Earth systems research, environmental remediation, and natural-hazard mitigation. It is the type of data that will enable future generations of scientists and policymakers to address the Nation's energy, environmental, and natural hazard challenges of the 21st century.

For example, this data has been essential to the development of oil and gas from shales. Geoscientists require previously acquired subsurface cores and samples to identify prospective natural gas deposits that were bypassed before new technology made shale resources economically producible.

The NGGDPP was authorized at \$30 million annually in EPACT 2005. Historical allocations for this program have ranged from \$750,000 to \$1 million per year. These funding levels are inadequate to achieve the program's objectives.

AAPG supports President Obama's fiscal year 2014 request to fund the Energy Resources Program activities at \$31 million, and asks the subcommittee to additionally appropriate \$30 million in fiscal year 2014 for the preservation of geological and geophysical data, bringing the total Energy Resource Program budget to \$61 million.

##### *Mineral Resources Program*

The United States is the world's largest consumer of mineral commodities. They form the building blocks of our economy.



It is therefore essential to the Nation's economic and national security that the Federal Government understands both the domestic and international supply and demand for minerals and mineral materials. This data is used throughout Government (Departments of Commerce, Interior, Defense, and State; the Central Intelligence Agency; the Federal Reserve) and the private sector.

The USGS Mineral Resources Program (MRP) is the only Federal and publicly available source for comprehensive information and analysis of mineral commodities and mineral materials.

AAPG supports greater funding than the \$46.4 million in President Obama's fiscal year 2014 request for the Mineral Resources Program, and urges the subcommittee to appropriate a level at least even with the fiscal year 2012 request of \$48.76 million.

#### GEOLOGIC LANDSCAPE AND COASTAL ASSESSMENTS

##### *National Cooperative Geologic Mapping Program*

AAPG supports the National Cooperative Geologic Mapping Program (NCGMP). This unique partnership between the Federal and State governments and the university community further demonstrates the importance of geoscience to society. The geologic maps produced by this program are used for natural resource management, natural hazard mitigation, water resource management, environmental conservation and remediation, and land-use planning.

NCGMP deserves special commendation for its EDMAP initiative. This university partnership enables students, working in a close mentoring relationship with faculty, to produce maps while learning essential mapping skills. As such, the program delivers an immediate return on the Federal investment in terms of beneficial maps, as well as a future return in the form of a trained and competent next generation workforce.

AAPG applauds President Obama's support for the National Cooperative Geologic Mapping Program and his increased funding request of \$28.3 million. However, this is essentially the amount authorized for fiscal year 1999. Authorizing legislation envisaged annual increases up to \$64 million in appropriated funds. AAPG urges the subcommittee to fund NCGMP at a level higher than the President's request level in fiscal year 2014.

Thank you for the opportunity to present this testimony to the subcommittee. In addition, thank you for your leadership and support for the geosciences. As you deliberate appropriate funding levels for these USGS programs, please consider the important public policy implications these choices entail.

#### PREPARED STATEMENT OF THE AMERICAN BIRD CONSERVANCY

American Bird Conservancy (ABC) is a 501(c)(3) national nonprofit organization dedicated to the conservation of wild native birds and their habitats throughout the Americas. Founded in 1994, ABC is the only U.S. based group dedicated solely to overcoming the greatest threats facing native birds in the Western Hemisphere.

As you know, America is blessed with a spectacular abundance and rich diversity of birds, with more than 800 species inhabiting the mainland, Hawaii, and surrounding oceans. Unfortunately, according to the U.S. Fish and Wildlife Service's 2009 State of the Birds Report, many of our bird species are in decline and some are threatened with extinction making it more important now than ever to continue funding Federal programs like the Neotropical Migratory Bird Conservation Act grants program, Joint Ventures, and the North American Wetlands Conservation Act which have been proven and effective in maintaining healthy and abundant native bird populations.

Funding Federal bird conservation programs not only provides ecological benefits, it makes good economic sense. Birds are also a very important economic driver. According to a report put together by the Federal Government, Americans spend about \$36 billion in pursuit of birding activities every year. Approximately one in five Americans—48 million people—engages in bird watching, and about 42 percent travel away from home to go birding. Birding activities also generate about \$4.4 billion in Federal tax revenues. Birds also naturally provide billions of dollars' worth of pest control each year benefiting farmers and consumers alike.

American Bird Conservancy's report, *Saving Migratory Birds for Future Generations: The Success of the Neotropical Migratory Bird Conservation Act* found that of our 341 species that are neotropical migrants—meaning birds that breed in the United States and Canada and winter in Latin America and the Caribbean—127 are in decline. Sixty of those species, including 29 songbirds, are in severe decline having lost 45 percent or more of their population in the past 40 years. If these trends

continue, future generations of Americans may never be able to see a bright blue Cerulean Warbler, Bell's Vireo, or Black-chinned Sparrow.

This trend can be seen all throughout the country. Here in Washington, DC for example an annual census of birds in Rock Creek Park that started in the 1940s, found that the number of migratory songbirds breeding there has dropped by 70 percent over the past half century. Three species of warbler (Black-and-white, Hooded, and Kentucky) no longer breed there at all. The main reasons for these precipitous declines are well established and reported in the 2009 State of the Birds Report: The largest source of bird mortality is due to habitat loss through conversion for human uses. Resource extraction and a growing human population have resulted in more development and land conversion for suburban sprawl so there are simply fewer and fewer large blocks of unbroken habitat for our native birds.

The second major impact is from habitat degradation from ecologically harmful land uses, such as unsustainable forestry or destruction of grasslands to create farm land. Deforestation, especially in Latin America, is accelerating at an alarming rate, driven by the needs of the rapidly expanding human population, which has tripled from 1950–2000. Estimates of the percentage of remaining forests that are lost each year in the Neotropics are between 1–2 percent.

#### NEOTROPICAL MIGRATORY BIRD CONSERVATION ACT (NMBCA)

To address these two problems—habitat loss and degradation, both of which are rapidly increasing south of our border—ABC respectfully suggests that Congress act to help mitigate their impact by continuing to fund the Neotropical Migratory Bird Conservation Act grants program at the highest level possible. As the subcommittee knows, the Neotropical Migratory Bird Conservation Act supports partnership programs in the United States, Canada, Latin America, and the Caribbean to conserve migratory birds, especially on their wintering grounds where birds of nearly 350 species, including some of the most endangered birds in North America, spend their winters. Projects include activities that benefit bird populations such as habitat restoration, research and monitoring, law enforcement, and outreach and education.

The NMBCA grants program has a proven track record of reversing habitat loss and advancing conservation strategies for the broad range of Neotropical birds that populate America and the Western Hemisphere. The public-private partnerships along with the international collaboration they provide are proving themselves to be integral to preserving vulnerable bird populations. Between 2002 and 2012, the program supported 395 projects, coordinated by partners in 48 U.S. States/territories and 35 countries. More than \$43 million from NMBCA grants has leveraged over \$166 million in matching funds. Projects involving land conservation have affected more than 3 million acres of bird habitat. While there are over 100 worthy proposals received each year, the program is oversubscribed with funding only available to fund about 40 projects. From these numbers, it is clear that conservation that would benefit our migrant songbirds is not able to take place due to a lack of funding for this program. ABC strongly believes expanding this program is essential to achieving conservation goals critical to our environment and economy. Just as importantly, this Federal program is a good value for taxpayers, leveraging over \$4 in partner contributions for every one that we spend. ABC respectfully requests that NMBCA be funded at the President's request which is \$3.78 million for fiscal year 2014.

#### JOINT VENTURES

Joint Ventures (JVs) also exemplify a highly successful, cost-effective approach to conservation. By applying science and bringing diverse constituents together, JVs across the United States have created a model for solving wildlife management problems and restoring habitats critical to conserving declining species. Nationally, JVs have protected, restored, or enhanced more than 18.5 million acres of important habitat for migratory bird species. There are currently 21 JVs in the United States that provide coordination for conservation planning and implementation of projects that benefit all migratory bird populations and other species.

Joint Ventures have a long history of success in implementing bird conservation initiatives mandated by Congress and by international treaties. Projects are developed at the local level and implemented through diverse public/private partnerships. These projects reflect local values and needs, while addressing regional and national conservation priorities. The projects benefit not only birds, but many wildlife species, and have a positive impact on the health of watersheds and local economies. For every dollar appropriated for Joint Ventures leveraged more than \$36 in non-Federal partner funds. ABC respectfully requests that JVs be funded at the highest level of funding possible and urges the committee to support \$15.5 million for this vital program for fiscal year 2014.

ABC strongly believes increased funding for NMBCA and JVs is essential to achieving conservation goals critical to our environment and economy. Just as importantly, these Federal programs are good values for taxpayers, leveraging over \$4 and \$30 respectively in partner contributions for each one that the taxpayers spend.

NORTH AMERICAN WETLANDS CONSERVATION ACT (NAWCA)

The NAWCA has helped conserve wetlands in North America for more than 20 years by providing funding for conservation projects that benefit wetland-associated migratory birds in all 50 States, Canada, and Mexico. NAWCA has a proven track record of success. From 1990 to 2012, the program has assisted in funding over 2,216 wetland conservation projects affecting over 26 million acres of essential wildlife habitat. NAWCA grants totaling more than \$1 billion have leveraged approximately \$3.4 billion in matching partner funds. More than 4,500 partners have fostered public and private sector cooperation for migratory bird conservation, flood control, erosion control, and water quality. For every dollar of money invested in the program, an average of \$3.20 is raised to match the Federal share by non-Federal entities.

As an organization that works with migratory birds, which by definition cross international borders during their migration patterns, we know that protection and restoration of wetland and upland habitat must occur across the continent if the goal is to protect the species. As a result ABC respectfully requests that NAWCA be funded at the President's request which is \$39.425 million for fiscal year 2014.

America faces a serious challenge to reverse the decline of many of our bird species, but it is possible. Since birds are sensitive indicators of how we are protecting our environment as a whole, this decline signals a crisis that Congress must act now to reverse it. If these reports tell us anything, it is that when we apply ourselves by investing in conservation, we can save imperiled wildlife, protect habitats, and solve the multiple threats at the root of this problem.

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PREPARED STATEMENT OF THE AMERICAN FOREST FOUNDATION

Investments in the U.S. Forest Service Forest Stewardship Program and the U.S. Forest Service Forest Health Management Program will help family forest owners get ahead of increasing threats from invasive pests and pathogens, wildfire, and development pressures. It is also critical that funding for U.S. Forest Service Forest Inventory and Analysis and overall Forest Service Research and Development programs are improved and maintained, so these programs continue to provide the information and technical resources for landowners to make informed decisions about America's forests. Investments in forestry programs will help strengthen rural communities, support rural jobs, and ensure that communities that rely on the clean water and air, wildlife habitat, and forest products from family owned forests, don't face additional costs for these goods and services.

The American Forest Foundation (AFF) urges the subcommittee to maintain fiscal year 2012 funding for the above mentioned programs and the fiscal year 2013 funding recommendation for the Forest Inventory and Analysis Program, that support improved forest stewardship on our Nation's 251 million acres of family owned forests and ensure the next generation is equipped to conserve and manage these forests—for the benefit of all Americans. Given the tight budget climate, we understand tough decisions must be made. However, we believe these programs should at a minimum be maintained so we don't lose ground in efforts to conserve and manage America's family owned forests.

Family forest owners are facing a "perfect storm" of threats. Wildfires, forest pests, pathogens and invasive species, pressures from development, and declining forest products markets make it harder than ever to keep America's family owned forests healthy and productive. At the same time, less than 5 percent of family forest owners are taking an active role in the stewardship of their forests. Many are under the impression that leaving their woods "alone" is the best option, meaning few have sought out the advice needed to address these pending threats. It is therefore essential we ensure these families have tools, technical information, and policy support to keep their forests as forests, for current and future generations.

The American Forest Foundation is a nonprofit conservation organization that works on the ground with the more than 10 million family woodland owners, through a variety of programs including the American Tree Farm System® and our focused place-based projects designed to achieve specific ecological or economic outcomes in priority places. Our mission is to help these families be good stewards and keep their forests healthy for future generations.

Families and individuals steward more of America's forests than the Federal Government or corporations. Families and individuals own 35 percent of our Nation's forests.<sup>1</sup> These private forests provide myriad public benefits—clean air, clean water, recreation, renewable resources that build our homes and communities, and good-paying rural jobs. Family forest owners invest their own time, resources, and energy into keeping their forests healthy and ensuring their children and grandchildren have the same opportunities. Those who actively manage their land, likely received some technical or financial help or got their start by getting support from a consultant, an agency forester, or an industry forester. Most families have not sought out this help, and many don't even know they need it.

#### FOREST HEALTH INVESTMENTS NEEDED

The threats are daunting. For example, close to 500 species of tree-damaging pests from other countries have become established in the country, and a new one is introduced, on average, every 2 to 3 years. At least 28 new tree-killing pests have been detected in the United States in just the last decade. Some of these will cause enormous damage; for example, thousand cankers disease threatens black walnut, with an estimated growing stock of \$539 billion, across the eastern United States. The USFS Forest Health Management (FHM) Program is a critical resource supporting efforts to prevent, contain, and eradicate dangerous pests and pathogens affecting trees and forests. The program provides critical assistance to other Federal agencies, State agencies, local agencies and private landowners.

In fiscal year 2012, the FHM Program helped combat native and invasive pests on more than 351,000 acres of Federal lands and over 615,000 acres of Cooperative lands—an impressive figure, but still nearly 150,000 fewer Cooperative land acres treated, compared with 2011 totals. Any further cuts to this program will necessitate deeper reductions in support for communities already facing outbreaks and expose more of the Nation's family owned forests to the devastating and costly effects of the Asian Longhorned Beetle, Emerald Ash Borer, Hemlock Woolly Adelgid, Thousand Cankers Disease, Western Bark Beetle and other pests.

#### INVEST IN A MORE FOCUSED, IMPACTFUL FOREST STEWARDSHIP PROGRAM

Over the last few years, there have been significant cut backs in outreach and technical assistance provided to woodland owners, as agency budgets have shrunk, and industry has cut back or eliminated their outreach foresters. This greatly concerned woodland owners across the country that AFF works with, who rely on programs like the Forest Stewardship Program and State forest agency service foresters. The Forest Stewardship Program has been the backbone of the American Tree Farm System, providing the support to woodland owners to ensure they have management plans and can therefore be certified and access certified wood products markets.

These cuts are also of great concern because of the growing number of "unengaged" woodland owners—those 95 percent of woodland owners who are not actively managing their land, and therefore have forests that are more susceptible to the threats mentioned above.

To address some of this loss AFF is currently piloting, together with several State forest agencies, conservation groups, and industry partners, a number of innovative landowner outreach tools, using micro-targeting and social marketing strategies, to more efficiently and effectively engage "unengaged" woodland owners. To date, we've seen a 12 percent response rate—woodland owners who are saying "yes" to being engaged—compared with a 3–4 percent response rate that forest agencies, extension agents, and organizations typically see.

Tools like these, combined with a more focused Forest Stewardship Program that concentrates on landowner outreach and assistance in priority areas like those identified in each State's Forest Action Plan, have significant potential to leverage the Forest Stewardship Program further and lead to even greater impact on the ground.

It's because of this work underway to improve the impact of the Forest Stewardship Program, we ask that you maintain this program's funding.

#### MAINTAINING ESSENTIAL INFORMATION FOR FOREST MANAGEMENT OF FAMILY OWNED WOODLANDS

Both of these programs, the Forest Stewardship Program and the Forest Health Program, must be grounded in sound science and sound forest information. That's where the U.S. Forest Service's Forest Inventory and Analysis (FIA) Program and

<sup>1</sup>USDA, May 2008, *Who Owns America's Forests?*

the Research and Development Programs (R&D) come in. These programs provide irreplaceable data about our forests and give landowners the tools to know how to manage the growing threats they face.

As our Nation's forest census, the FIA program provides critical updates on forest health and market trends—better equipping forest owners nationwide to mitigate the impact of impending threats and concerns. FIA also provides a census of the trends in family forest ownership, demographics, and trends, so we can better understand how to work with this significant ownership group, most of whom, as mentioned above are “unengaged” in active forest management.

In particular, the USFS Research and Development Program provides the science to help manage invasive species in urban and rural forests. AFF believes it is vitally important to conduct research aimed at improving detection and control methods for the Emerald Ash Borer, Hemlock Woolly Adelgid, Sudden Oak Death, Thousand Cankers Disease, Gold-spotted Oak Borer and other non-native forest pests and diseases. USFS research scientists have had the leading role in developing detection traps and evaluating treatments that make walnut lumber safe to continue moving in commerce. We urge this work to continue, and look forward to more progress on genetic restoration of impacted tree species, among other projects.

The R&D function is not only essential for providing forest management research, it is also on the leading edge of providing new information about the use of wood products, which can help create new markets for products from family owned woodlands. This information helps position wood in growing markets, like green building markets, where understanding the environmental impacts of building materials is key. We urge the subcommittee to call on R&D to invest an additional \$6 million in green building research through the Forest Products Laboratory to continue this important work.

To conclude, AFF recognizes the subcommittee must find areas to reduce spending. We ask the subcommittee to consider the impact these reductions will have on the country's nearly 11 million family forest owners and every American who benefits daily from the positive externalities of well-managed, working forests. We urge the subcommittee to work to maintain fiscal year 2012 funding levels for the U.S. Forest Service's Forest Stewardship Program, Forest Health Management Program, Research and Development Program, and the fiscal year 2013 funding recommendation of \$72 million for the Forest Inventory and Analysis Program.

I thank the subcommittee for the opportunity to provide some insight on these programs and appreciate consideration of my testimony.

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PREPARED STATEMENT OF THE AMERICAN FOREST & PAPER ASSOCIATION

Dear Chairman Reed and Ranking Member Murkowski: The American Forest & Paper Association (AF&PA) is the national trade association of the forest products industry, representing pulp, paper, packaging and wood products manufacturers, and forest landowners. Our companies make products essential for everyday life from renewable and recyclable resources that sustain the environment. The forest products industry accounts for approximately 5 percent of the total U.S. manufacturing GDP. Industry companies produce about \$190 billion in products annually and employ nearly 900,000 men and women, exceeding employment levels in the automotive, chemicals, and plastics industries. The industry meets a payroll of approximately \$50 billion annually and is among the top 10 manufacturing sector employers in 47 States.

Actions are needed to restore Federal timber harvests to help ensure adequate fiber supply and address forest health priorities on both Federal and private lands. Within the jurisdiction of this committee, we urge you to direct the United States Forest Service (USFS) to help sustain the forest products industry and the vital jobs it supports. Specific recommendations follow.

FOREST AND RANGELAND RESEARCH

*Forest Inventory and Analysis.*—Targeted research and data collection is needed to support forest productivity, forest health, and economic utilization of fiber. The Forest Inventory and Analysis (FIA) program within USFS Research and Development (R&D) is the backbone of our knowledge about the Nation's forests, and is a vital technical resource that allows assessment of the sustainability, health, and availability of the forest resource. FIA is utilized by a large swath of stakeholders interested in the state of America's forests: forest resource managers at mills, land managers, conservation groups, and State and Federal agencies all look to the program for data about our Nation's forests. We are concerned by the cuts to this program over the recent years. With an increased focus on utilizing woody biomass for

renewable energy and other products, the program that allows managers to determine sustainability and availability of the forest resource should not be reduced, but rather increased. We oppose cuts to this valuable program.

AF&PA requests funding levels of at least \$72 million for the FIA program, which would allow the USFS to cover the majority of U.S. forest lands, expedite data availability and analysis, and support our growing data needs in the areas of bioenergy and climate mitigation.

We also recommend increased funding within the USFS R&D program in support of the Agenda 2020 Technology Alliance. Working in partnership with universities and the private sector, USFS funding for the Agenda 2020 program supports research to develop and deploy wood production systems that are ecologically sustainable, socially acceptable, and economically viable to enhance forest conservation and the global competitiveness of forest product manufacturing and biorefinery operations in the United States. In particular, we encourage greater support for research on forest productivity and utilization at the Forest Products Lab and Research Stations. Innovative wood and fiber utilization research, including nanotechnology research, contributes to conservation and productivity of the forest resource. The development of new forest products and important research on the efficient use of wood fiber directly address the forest health problem through exploration of small diameter wood use and bioenergy production.

#### NATIONAL FOREST SYSTEM, FOREST PRODUCTS

To create forest industry jobs, more Federal timber should be made available for sale, AF&PA requests restoring funding of the Forest Products program to at least \$336 million to put people back to work in our rural communities while improving the health and reducing the fire risk of forest ecosystems. The 15 percent reduction in timber sales from the National Forests as a result of the sequester will have a devastating effect on those communities dependent on Federal timber and must be restored.

#### NATIONAL FOREST SYSTEM, HAZARDOUS FUELS REDUCTION

Hazardous fuels reduction is essential to the Federal forest health restoration effort and AF&PA supports maintaining this vital program at the fiscal year 2011 level (\$339 million). We also urge the subcommittee to instruct the USFS to implement these projects in forested stands, using mechanical treatments that produce merchantable wood fiber for utilization by local mills. Prescribed burns and debris removal will not solve the hazardous fuel overload by themselves. The forest products industry can and does play a key role in reducing hazardous fuels from Federal lands as evidenced by the fact that mechanical hazardous fuel reduction costs are frequently significantly lower in regions with a substantial forest products industry presence. The agency must take advantage of these synergies.

#### STATE AND PRIVATE FORESTRY

AF&PA applauds the subcommittee's sustained support for USFS State and Private Forestry programs. With ongoing droughts, invasive species infestations, and significant forest health problems, private forest resources remain vulnerable to damage from threats that do not respect public/private boundary lines.

As you know, private forests provide the bulk of the Nation's wood fiber supply, while also sequestering huge amounts of carbon from the atmosphere, providing millions of acres of wildlife habitat, and supplying clean drinking water for millions of Americans. USFS State and Private Forestry programs protect these resources from threats beyond the capability of small landowners to combat effectively. Therefore, we urge funding at no less than their fiscal year 2012 enacted levels of \$86 million for State Fire Assistance, \$112 million for Forest Health Management, and \$29 million for Forest Stewardship.

#### INTERNATIONAL FORESTRY

AF&PA believes that full and effective implementation and enforcement of the 2008 Lacey Act amendments will reduce the destructive effects of illegal logging on tropical forests, enable American forest product companies to compete on a level playing field, and contribute to cutting of global greenhouse gas emissions through reduced deforestation and sustainable forest management practices. A 2004 AF&PA report on illegal logging found that up to 10 percent of global timber production could be of suspicious origin and that illegal logging depresses world prices for legally harvested wood by 7 to 16 percent on average. The report also calculated that

the economic cost of global illegal logging to the U.S. industry is approximately \$1 billion per year in lost exports and depressed domestic prices.

The USFS International Forestry program lends critical technical assistance for Lacey Act implementation and to improve sustainable forest management practices in developing countries, which helps reduce illegal logging overseas. AF&PA believes cuts to the International Forestry accounts could be detrimental to full Lacey Act compliance and enforcement efforts, and advocates funding the International Forestry program at fiscal year 2012 levels (\$8 million).

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PREPARED STATEMENT OF THE AMERICAN FISHERIES SOCIETY

The American Fisheries Society (AFS) would like to express our concern over language in the fiscal year 2014 President's budget that proposes a \$400,000 reduction in funding for the U.S. Fish and Wildlife Service (USFWS) Aquatic Animal Drug Approval Partnership (AADAP) program.

Our Nation's fisheries and aquatic resources have significant economic, ecological, and cultural value to all Americans. Commercial fishing supports approximately 1 million full- and part-time jobs and generates more than \$100 billion in sales impacts.<sup>1</sup> More than 33 million Americans fish recreationally<sup>2</sup>, and saltwater angling alone generates an additional \$73 billion in economic impact and supports over 327,000 more jobs<sup>3</sup>. On behalf of the 9,000+ AFS members, we support programs like AADAP that work to conserve our Nation's fisheries and aquatic resources.

Many fisheries activities require the use of drugs including therapeutants needed to maintain health and fitness of hatchery fish, as well as sedatives and marking agents that facilitate field-based monitoring and research. As described in a recent AFS Policy Statement, the absence of suitable drugs, "jeopardizes fishes, fisheries, fish culture, research, and poses considerable risk to those involved in these activities." Without access to these compounds, the ability of fisheries professionals to deliver on conservation commitments to the American public is constrained. Legal liabilities related to the use of unapproved drugs in fisheries and aquatic resource conservation are also a concern.

Leveraging partnerships with Federal, State, tribal, academic, and private entities, AADAP leads a coordinated national effort to secure aquatic animal drug approvals from the U.S. Food and Drug Administration and provide partners with access to critically needed drugs and information about their legal and judicious use. USFWS leadership is critical because the Service itself is a major end-user of aquatic animal drugs, the need for safe and effective drugs is nationwide, and economic incentives are insufficient to encourage drug sponsors to pursue aquatic animal drug approvals in the United States.

We recognize that difficult decisions must be made in light of the current Federal budget crisis and sequestration. We contend that the proposed cuts to the AADAP program would eliminate vital elements of a program that serves the USFWS, its partners, and fisheries and aquatic resources in essential and unduplicated ways. We encourage the USFWS to fully support the AADAP program, restore its funding, and ensure the current and future needs of fisheries professionals are met. Thank you for your consideration of our view.

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PREPARED STATEMENT OF THE AMERICAN FISHERIES SOCIETY FISH CULTURE SECTION  
WORKING GROUP ON AQUACULTURE DRUGS, CHEMICALS, AND BIOLOGICS

Dear Chairman Reed and members of the subcommittee: As an educator, scientist, fisheries professional, and staunch supporter of effective natural resources management, I am writing to express my concern regarding the proposed \$400,000/three full-time equivalent (FTE) reduction in support for the U.S. Fish and Wildlife Service (FWS) Aquatic Animal Drug Approval Partnership (AADAP) program as described in the fiscal year 2014 President's budget. Given the importance of this program and its deliverables to the fisheries and aquaculture disciplines—particularly to the mission of the FWS itself—I strongly encourage you to reconsider the ramifications of this reduction, and fully support the AADAP program with \$1,790,000 in base funding and current FTEs. This figure represents the amount previously

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<sup>1</sup>NMFS NOAA. 2009. Fisheries economics of the United States. Available at: [http://www.st.nmfs.noaa.gov/st5/publication/fisheries\\_economics\\_2009.html](http://www.st.nmfs.noaa.gov/st5/publication/fisheries_economics_2009.html).

<sup>2</sup>USFWS. 2011. National survey of fishing, hunting, and wildlife-associated recreation. Available at: <http://www.census.gov/prod/2012pubs/fhw11-nat.pdf>.

<sup>3</sup>NMFS NOAA. 2009. Fisheries economics of the United States. Available at: [http://www.st.nmfs.noaa.gov/st5/publication/fisheries\\_economics\\_2009.html](http://www.st.nmfs.noaa.gov/st5/publication/fisheries_economics_2009.html).

dedicated to the drug approval process in the Department of the Interior budget (2010 funding levels for AADAP and the U.S. Geological Survey (USGS) (budget since eliminated entirely), adjusted to fiscal year 2014 dollars. Without this level of support, these unduplicated and essential activities cannot be completed in a reasonable timeframe, and fisheries professionals, especially the FWS, will be unable to effectively deliver on their responsibilities to the American public.

Most fisheries activities requires the use of drugs: whether to maintain health and fitness of hatchery fish, or facilitate field-based research and management activities, as described in a recent AFS Policy Statement,<sup>1</sup> the absence of suitable drugs, “jeopardizes fishes, fisheries, fish culture, research, and poses considerable risk to those involved in these activities.” Fish drugs include commonplace chemicals such as hydrogen peroxide, but it is illegal to use such products unless they have passed the rigorous Food and Drug Administration (FDA) animal drug approval process. USFWS leadership is critical because the Service itself is a major end-user of aquatic animal drugs, the need for safe and effective drugs is nationwide, and without public-sector assistance economic incentives are insufficient to encourage drug sponsors to pursue aquatic animal drug approvals in the United States.

Recognizing difficult budgetary decisions must be made, I contend that the proposed cuts to the AADAP program offer only modest savings and would eliminate vital elements of a program that serves the FWS, its partners, and fisheries and aquatic resources in essential and unduplicated ways. Without access to safe and effective drugs, it is unclear to me how fisheries professionals, especially FWS staff, will be able to fulfill their mandates (e.g., rearing and stocking fish, collecting field data) without misusing the few approved drugs currently available (e.g., overusing an existing antibiotic because no other alternatives exist, risking the development of antibiotic-resistant bacteria) or resorting to the use of unapproved products (e.g., using innocuous but currently unapproved products, risking significant legal liability and FDA action). The proposed cuts would effectively terminate the AADAP research program, and with it, the drug approval process in the United States. This is not grandstanding or arm-waving, it is reality: without AADAP, the drug approval process stops, and without approved drugs, fisheries professionals and fisheries themselves are put in jeopardy.

I encourage you to fully support the AADAP program at a funding level of \$1,790,000 and ensure the current and future needs of fisheries and fisheries professionals continue to be met. Thank you for your consideration of my position on this issue.

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PREPARED STATEMENT OF THE AMERICAN FISHERIES SOCIETY

Dear Chairman Reed and members of the subcommittee: The purpose of this letter is to express my serious concern with respect to language in the fiscal year 2014 President’s budget proposing a \$400,000 reduction in funding for the U.S. Fish and Wildlife Service’s Aquatic Animal Drug Approval Partnership (AADAP) program. AADAP is the Nation’s only program singularly committed to obtaining U.S. Food and Drug Administration approval of aquatic animal drugs needed by fisheries professionals. AADAP provides many key services to the USFWS and its partners, including State natural resource agencies and university fisheries and aquaculture programs, by providing access to needed drugs and securing drug approvals to ensure safe and effective drugs are available to treat disease, aid spawning, and facilitate field research and fisheries management activities. I firmly believe any reduction in funding for AADAP would have a significant, negative impact on the ability of the USFWS and State natural resource agencies to accomplish mandated fish production and field management objectives. I strongly encourage full support of the AADAP at a level of \$1,790,000 in base funding. This figure represents the amount previously dedicated to the drug approval process in the Department of the Interior budget (fiscal year 2010), adjusted to fiscal year 2014 dollars.

Illinois Department of Natural Resources is responsible for managing fisheries programs throughout the State. Primary activities include the recovery and restoration of imperiled species, management of commercial stocks, and providing opportunities for recreational fishing. Most fisheries activities require the use of drugs: whether to maintain health and fitness of hatchery fish, or facilitate field-based research and management activities. For example: multi-institutional efforts between USFWS, IDNR and Southern Illinois University have been implemented to control Asian carp populations in the Illinois waterways and suppress their infestation of

<sup>1</sup> AFS Policy Statement on the Need for Immediate-release Sedatives in the Fisheries Disciplines. Available at: [http://fisheries.org/docs/policy\\_statements/policy\\_34f.pdf](http://fisheries.org/docs/policy_statements/policy_34f.pdf).



the Great Lakes watershed. The benefits (economic and otherwise) derived from these activities are clear. USFWS leadership is critical because the Service itself is a major end-user of aquatic animal drugs, the need for safe and effective drugs is nationwide, and without public-sector assistance economic incentives are insufficient to encourage drug sponsors to pursue aquatic animal drug approvals in the United States.

I am certainly cognizant of the challenging budgets facing all Federal agencies. However, the AADAP program's dedication to fisheries conservation, track record of success, and critical deliverables are recognized by public and private fisheries and aquaculture stakeholders and conservation authorities as unduplicated and unparalleled; attempts at cost savings that diminish this program diminish needed Federal leadership in this area and jeopardize the ability of natural resource agencies to deliver effective fisheries conservation to the American public. Illinois Department of Natural Resources as well as Southern Illinois University Carbondale continues to rely on AADAP to help us meet critical fisheries management needs along with much needed research in the field of aquatic sciences. We strongly encourage you to continue to fully support/fund AADAP. I would also like to thank you in advance for your consideration of this issue.

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PREPARED STATEMENT OF THE AMERICAN GEOSCIENCES INSTITUTE

Thank you for this opportunity to provide the American Geosciences Institute's perspective on fiscal year 2014 appropriations for geoscience programs within the subcommittee's jurisdiction. We ask the subcommittee to support and sustain the critical geoscience work of the United States Geological Survey (USGS), the National Park Service, and the Smithsonian Institution. Specifically, we ask support for the President's request for \$1.167 billion for USGS, \$246 million for the National Park Service's Natural Resource Stewardship and Everglades Restoration activities, and \$869 million for the Smithsonian Institution.

The Earth provides the energy, mineral, water, and soil resources that are essential for a thriving economy, national security, and a healthy population and environment. We must understand the Earth system in order to sustain and improve our quality of life and the quality of the environment, while reducing risks from natural hazards. The USGS is the Nation's only natural resource science agency that can provide the objective data, observations, analyses, assessments, and scientific solutions to these intersecting Earth-focused needs.

AGI is a nonprofit federation of 48 geoscientific and professional associations that represent approximately 250,000 geologists, geophysicists, and other Earth scientists who work in industry, academia, and government. Founded in 1948, AGI provides information services to geoscientists, serves as a voice of shared interests in our profession, plays a major role in strengthening geoscience education, and strives to increase public awareness of the vital role the geosciences play in society's use of resources, resilience to natural hazards, and the health of the environment.

U.S. GEOLOGICAL SURVEY

AGI urges support of USGS at least at the level of the President's budget request of \$1.167 billion. We endorse the use of \$18.6 million for science-based hydraulic fracturing studies that will be coordinated with other agencies. We strongly urge you to reject proposed cuts of \$5 million to the nationally important Mineral Resources Program which has suffered budget cuts for more than a decade.

USGS addresses a wide range of important problems facing the Nation including natural hazards, water resources, waste disposal, environmental change, and energy and mineral resources. USGS plays a prominent and unique role in providing the impartial geoscience information needed to grow the economy, build a skilled workforce, and foster a natural resource-literate public. USGS geoscience data and understanding should be incorporated more fully into actions for balanced and sustainable development.

*Mineral Resources Program (MRP).*—AGI strongly supports the President's request for an additional \$1 million for rare Earth element research activities and \$1.13 million for high priority research on critical minerals. This work will help to strengthen the economy and national security. But we are deeply concerned by proposed cuts of \$5 million to ongoing MRP activities. The proposed reduction of \$1.157 million to minerals information activities is particularly puzzling. The MRP is the world's leading source of statistical information on current production and consumption of about 100 mineral commodities, both domestically and globally, covering approximately 180 countries. MRP data and analyses are used by the Department of the Interior, Department of Defense, the Central Intelligence Agency, the Depart-

ment of State, the Federal Reserve, other Federal, State and local government entities, foreign governments, private companies, and the general public to guide economic and strategic decisionmaking. Additional proposed cuts of \$3.8 million to MRP research and assessment activities will drastically curtail the flow of information on mineral resources for land planning, economic development, and mineral policy decisionmaking. There are no alternative public or private sources for this information. Please reverse all cuts to the Mineral Resources Program and provide \$50 million for minerals information and research in the national interest.

*Hydraulic Fracturing.*—AGI supports USGS work to better understand the scientific aspects of hydraulic fracturing, to reduce potential impacts, and to provide decision-support information. We are pleased to note the collaboration between USGS, the Department of Energy, and the U.S. Environmental Protection Agency. We support the allocation of \$18.6 million for scientific research on this economically important technology.

*Water Resources Program.*—AGI is pleased to see a modest overall increase in funding for Water Resources activities at USGS but we are concerned with the decreased funding in the President's request for several elements of the program. The USGS is the Nation's premier Federal water science agency and knowledge about water quality and quantity is necessary for economic growth and land-use planning. Eliminating \$5.5 million in grants to more than 250 applied research and information transfer projects under the Water Resource Research Act Program will affect university water resource education and research and weaken our future workforce. The Nation needs more information on the quantity and quality of our water resources; we should be investing more, not less, in water assessment activities.

We respectfully ask that funding for the Methods Development and Assessment in the National Water Quality Assessment Program, for Interpretative Studies/Assessments in the Cooperative Water Program, and for annual base grants under the Water Resource Research Act Program be maintained at fiscal year 2013 levels.

*National Earthquake Hazards Reduction Program (NEHRP) and Other Natural Hazards.*—A key role for the USGS is providing the research, monitoring, and assessment that are critically needed to better prepare for and respond to natural hazards. The tragic 2011 Tohoku earthquake and tsunami in Japan; the deadly 2013 earthquakes and landslides in Sichuan, China; and the economically damaging disruption of air travel after the 2010 eruption of Eyjafjallajökull remind us of the need for preparation, education, mitigation and rapid response to natural hazards.

With great forethought, the Earthquake Hazards Reduction Authorization Act of 2000 (Public Law 106-503) called for modernization of existing seismic networks and for the development of the Advanced National Seismic System (ANSS)—a nationwide network of shaking measurement systems focused on urban areas. ANSS can provide real-time earthquake information to emergency responders as well as building and ground shaking data for engineers and scientists seeking to understand earthquake processes and mitigate damage. With 2,564 of 7,100 stations in operation at the end of 2012, the ANSS is far from achieving its goals. Critical investments now will help to reduce earthquake risks; help to create jobs and grow the economy by improving and modernizing seismic networks and the built environment; help support external earthquake research and education efforts; and help to support other major earthquake science initiatives. Given all of these factors, now is the time to increase investments in USGS-NEHRP through the Earthquake Hazards Program. AGI strongly supports reauthorization and funding of NEHRP in the 113th Congress.

AGI supports robust appropriations of at least the President's request for the Earthquake Hazards Program (\$57.9 million), the Volcano Hazards Program (\$24.7 million) and Landslide Hazards Program (\$3.7 million).

*National Cooperative Geologic Mapping Program (NCGMP).*—AGI is very grateful to Congress for passing the re-authorization of the National Cooperative Geologic Mapping Program in the 2009 public lands omnibus (Public Law 111-11, sec. 11001). This important 20-year-old partnership between the USGS, State geological surveys, and universities provides the Nation with fundamental data for addressing natural hazard mitigation, water resource management, environmental remediation, land-use planning, and raw material resource development. AGI thanks the committee for its previous support for the National Cooperative Geologic Mapping Program and requests a total of \$28.3 million in fiscal year 2014.

*National Geological and Geophysical Data Preservation Program (NGGDPP).*—The data preservation program (Public Law 109-58, sec. 351) is administered by the U.S. Geological Survey in partnership with State geological surveys and other stakeholders. Private and public entities collect geologic and geophysical data in the form of paper records, digital files, and physical samples. Often these data and samples are given to State geological surveys either voluntarily or because of regulatory stat-

utes. These data are worth far more than the cost of preserving them because they provide information about natural resources and natural hazards that are used by others for business or safety. The program generates more value in terms of economic development, environmental stewardship, hazard mitigation and fulfilling regulatory requirements than it costs to run.

The President's budget request for fiscal year 2014 places the NGGDPP and the Biological Information Management and Delivery Program within a single sub-activity called Science Synthesis, Analysis, and Research. AGI supports a modest increase of \$100,000 over the fiscal year 2012 estimate for a total appropriation of \$2 million.

#### SMITHSONIAN INSTITUTION

The Smithsonian's National Museum of Natural History plays a dual role in communicating the excitement of the geosciences and enhancing knowledge through research and preservation of geoscience collections. AGI asks the subcommittee to provide steady funding to cutting-edge Earth science research at the Smithsonian Institution. We support the President's request of \$869 million for the Smithsonian Institution in fiscal year 2014.

#### NATIONAL PARK SERVICE

The national parks are very important to the geoscience community and the public as unique national treasures that showcase the geologic splendor of our country and offer unparalleled opportunities for research, education, and outdoor activities. The National Park Service's Geologic Resources Division was established in 1995 to provide park managers with geologic expertise. Working in conjunction with USGS and other partners, the division helps ensure that geoscientists are becoming part of an integrated approach to science-based resource management in parks. AGI supports the President's request for \$236 million for Natural Resource Stewardship activities and \$10 million for Everglades Restoration so the NPS can adequately address the treasured geologic and hydrologic resources in the National Parks.

Thank you for the opportunity to present this testimony to the subcommittee.

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#### PREPARED STATEMENT OF AMERICAN GOLD SEAFOODS

Our company grows, harvests and produces wild fishery and aquaculture products that supply U.S. seafood markets and helps create thousands of jobs here in the United States. Our parent company, Icicle Seafoods, employs thousands of people throughout the Pacific Northwest and Alaska in both their commercial fishing operations, as well as in their aquaculture operations. I am writing to express our serious concern and opposition to the \$400,000/3 FTE budget reduction for the U.S. Fish and Wildlife Service's Aquatic Animal Drug Approval Partnership (AADAP) program that is being proposed in the President's fiscal year 2014 budget. AADAP is the Nation's only program singularly committed to obtaining U.S. Food and Drug Administration approval of aquatic animal drugs needed by fisheries professionals, academic research programs and both public and private aquaculture production facilities. AADAP facilitates many key services to the USFWS, other resource agency partners, supports commercial and recreational fishery programs, and assists both public and private aquaculture producers. The AADAP program provides access to necessary new animal drugs and secures new drug approvals to ensure that safe and effective drugs are available to treat fish disease, aid spawning, and facilitates field research and other fisheries management activities. Any reduction in funding for AADAP would have significant and negative impacts on the ability of the USFWS and State natural resource agencies to accomplish their mandated fishery production and field management objectives. This in turn would be damaging to the commercial and recreational fisheries of the United States, as well as the continued recovery of endangered fish stocks. Reductions in the ability, and the measurable progress that has been made to date by AADAP program could also severely impact the hundreds of companies in the United States involved in aquaculture.

Because of this, we strongly encourage you to fully support the AADAP program at a level of \$1,200,000 in base funding. This figure represents the amount previously dedicated to the drug approval process in the Department of the Interior budget (fiscal year 2010), adjusted to fiscal year 2014 dollars. This is a level that allows the AADAP program to continue making improvements to the processes and tools available for natural resource managers and domestic aquaculture producers, both key components to our ability to produce seafood in the United States. The AADAP program coordinates the efforts of numerous stakeholders to secure aqua-

culture drug approvals, and aids public and private fish culture operations by allowing for monitored, legal access to new aquatic animal drugs that are in development. AADAP is one of the few Federal programs providing needed support to the unique challenges related to aquaculture, aquatic animal health and risk management for fishery managers across the United States. Given the importance of this program and its deliverables to the fisheries and aquaculture disciplines, maintaining the current funding level is vital. Without this level of support, these unduplicated and essential activities cannot be completed in a reasonable time frame, and fisheries professionals, especially the USFWS, will be unable to effectively deliver on their responsibilities to the American public.

The proposed cuts would effectively terminate the AADAP research program, and with it, the aquatic animal drug approval process in the United States. Without the AADAP program, the drug approval process stops, and without approved aquatic animal drugs, fisheries professionals, aquaculture producers and commercial and recreational fisheries themselves will unnecessarily be put in jeopardy. I strongly encourage you to reconsider the President's proposed budget reductions to the AADAP program and instead would urge your full support of this important program. Thank you for your consideration of our position.

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PREPARED STATEMENT OF THE AMERICAN GEOPHYSICAL UNION

The American Geophysical Union (AGU), a nonprofit, nonpartisan scientific society, appreciates the opportunity to submit testimony regarding the fiscal year 2014 budget request for the United States Geological Survey (USGS). The AGU, on behalf of its over 62,000 Earth and space scientist members, would like to respectfully request Congress to appropriate at least \$1.167 billion for fiscal year 2014, and to restore critical funding for USGS programs that will enable implementation of natural hazards warning and monitoring systems that will reduce risks from floods, earthquakes, severe storms, volcanic eruptions, and other hazards.

*USGS Benefits Every State in the Union.*—The USGS is uniquely positioned to provide information and inform responses to many of the Nation's greatest challenges. The USGS plays a crucial role in assessing water quality and quantity; reducing risks from earthquakes, tsunamis, floods, landslides, wildfires, and other natural hazards; providing emergency responders with geospatial data to improve homeland security; assessing mineral and energy resources (including rare Earth elements and unconventional natural gas resources); and providing the science needed to manage our ecosystems and combat invasive species that can threaten natural and managed environmental systems and public health.

The U.S. Geological Survey has a national mission that extends beyond the boundaries of the Nation's public lands to positively impact the lives of all Americans. The USGS plays a crucial role in protecting the public from natural hazards, assessing water quality and quantity, providing geospatial data, and conducting the science necessary to manage our Nation's living, mineral, and energy resources. Through its offices across the country, the USGS works with partners to provide high-quality research and data to policymakers, emergency responders, natural resource managers, civil and environmental engineers, educators, and the public. A few examples of the USGS' valuable work are provided below.

The Survey collects scientific information on water availability and quality to inform the public and decisionmakers about the status of freshwater resources and how they are changing over time. During the past 130 years, the USGS has collected stream flow data at over 21,000 sites, water-level data at more than 1 million wells, and chemical data at more than 338,000 surface-water and groundwater sites. This information is needed to effectively manage freshwaters—both above and below the land surface—for domestic, public, agricultural, commercial, industrial, recreational, and ecological purposes.

*National Earthquake Hazards Reduction Program (NEHRP) and Other Natural Hazards.*—The USGS plays an important role in reducing risks from floods, wildfires, earthquakes, tsunamis, volcanic eruptions, landslides, and other natural hazards that jeopardize human lives and cost billions of dollars in damages every year. Seismic networks and hazard analyses are used to formulate earthquake probabilities and to establish building codes. USGS monitors volcanoes and provides warnings about impending eruptions that are used by aviation officials to prevent planes from flying into volcanic ash clouds. Data from the USGS network of stream gages enable the National Weather Service to issue flood and drought warnings. The bureau and its Federal partners monitor seasonal wildfires and provide maps of current fire locations and the potential spread of fires. USGS research on ecosystem

structure informs fire risk forecasts. AGU supports the President's request of \$142.6 million for Natural Hazards for fiscal year 2014.

*Mineral Resources Program.*—USGS assessments of mineral and energy resources—including rare Earth elements, coal, oil, unconventional natural gas, and geothermal—are essential for making decisions about the Nation's future. The Survey identifies the location and quantity of domestic mineral and energy resources, and assesses the economic and environmental effects of resource extraction and use. The agency is mapping domestic supplies of rare Earth elements necessary for widespread deployment of new energy technologies, which can reduce dependence on foreign oil and mitigate climate change. The USGS is the sole Federal source of information on mineral potential, production, and consumption.

Research conducted by the USGS is vital to predicting the impacts of land use and climate change on water resources, wildfires, and ecosystems. The Landsat satellites have collected the largest archive of remotely sensed land data in the world, allowing for access to current and historical images that are used to assess the impact of natural disasters and monitor global agriculture production. The USGS also assesses the Nation's potential for carbon sequestration. Other Interior bureaus use USGS research on how climate variability affects fish, wildlife, and ecological processes to inform natural resource management decisions.

*Funding Shortfall.*—Over the years, Congress has worked in a bipartisan fashion to restore damaging budget cuts proposed by administrations from both parties. These efforts have paid dividends and helped the USGS continue to provide answers to the challenging questions facing decisionmakers across the country. A major challenge currently facing the USGS is budget sequestration. Not only has the agency's budget been cut by \$61 million, but the USGS faces further funding cuts as other Federal agencies scale back reimbursable activities, which represent roughly \$400 million of USGS' annual operating budget.

Among the sequestration-induced impacts to USGS science:

- In order to prevent the shutdown of 350 stream gauges, USGS will stop delivering stream flow information. This will hinder informed decisionmaking, but is less costly than turning off the stream gauges and losing data altogether.
- Maintenance of real time status of stream gauges and seismic networks will diminish, potentially resulting in data gaps.
- Decreased monitoring of volcanoes and delayed warnings about volcanic activity. The Federal Aviation Administration relies upon this information to route planes safely in Alaska and elsewhere.
- Fewer early warnings will be issued about emerging wildlife diseases. This could jeopardize natural resource managers' abilities to respond to threats in a timely manner.
- Energy assessments will take longer to be completed. These delays could slow economic development and the Nation's efforts to utilize more domestic energy.

The USGS has also implemented a hiring freeze, disallowed overtime, and cancelled all training and nonessential travel. Contracts and grants are being reviewed internally to determine the feasibility of delay, re-scoping, or termination. Employee furloughs of up to 9 days are also possible. The employees of the USGS are hard-working and committed individuals dedicated to serving the American public. They routinely work in harsh conditions and with limited resources. Unpaid furloughs threaten to further diminish employee morale.

In addition, USGS suspended employee attendance at 27 conferences in February, March, and April. Although this may save money in the short term, scientists must be able to exchange ideas and information freely. Scientific conferences are a highly productive mechanism for the transfer of information among scientists and engineers.

USGS has identified ways to cope with its diminished budget in the short term, but the agency's ability to deliver science over the long term is in jeopardy. We are especially concerned about long-term data sets, as information gaps cannot be filled later.

The AGU is grateful to the Senate Interior Appropriations Subcommittee for its leadership in restoring past budget cuts and strengthening the U.S. Geological Survey. We appreciate the opportunity to submit this testimony to the subcommittee and thank you for your thoughtful consideration of our request.

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PREPARED STATEMENT OF THE AD-HOC INDUSTRY NATURAL RESOURCE MANAGEMENT GROUP

The Ad-Hoc Industry Natural Resource Management Group (Group) expresses support for the fiscal year 2014 budget request of the Department of the Interior

(DOI) Natural Resource Damage Assessment and Restoration Program in the amount of \$12,539,000. The testimony herein does not reflect the opinion or views of the industrial member companies that comprise the Group's membership, individually or collectively.

The Ad-Hoc Industry Natural Resource Management Group (Group), founded in 1988, is a group of multinational industrial companies and is focused exclusively on the interface between natural resources and industrial operations. The Group has served as resource, facilitator, educator and catalyst relative to prevention and resolution of natural resource damage liabilities, as well as identification and implementation of resource restoration objectives. Over the 25-year history of the Group, nearly 80 percent of the land restored nationwide to compensate the public for lost resource use, under the natural resource damage (NRD) liability regime defined under a number of Federal laws, has resulted from direct action or funding by the industrial company members of this Group.

When a company settles a claim for NRD, the funds are to be used for natural resource restoration, which is most often undertaken by Government departments and agencies. As such, it is important that there can be immediate follow through from settlement with industrial parties to implementation of natural resource restoration. Accordingly, I support the budget request of the U.S. DOI Natural Resource Damage Assessment and Restoration Program in the amount of \$12,539,000. It is our understanding that the additional request of funds for fiscal year 2014 is aimed exclusively at getting restoration implemented. DOI has a very large amount of funds waiting to be dispersed to specific projects nationwide and it does not currently have the staffing needed to do this. Therefore, I respectfully suggest that it is imperative that the full requested fiscal year 2014 budget request be approved in order to effect these needed actions.

I would be pleased to provide further information or answer questions, as desired. Thank you for the opportunity to provide input on this fiscal year 2014 budget request.

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PREPARED STATEMENT OF THE AMERICAN INSTITUTE OF BIOLOGICAL SCIENCES

The American Institute of Biological Sciences (AIBS) appreciates the opportunity to provide testimony in support of appropriations for the United States Geological Survey (USGS), United States Forest Service (USFS), and Environmental Protection Agency (EPA) for fiscal year 2014. AIBS encourages Congress to provide the USGS with at least \$1.167 billion in fiscal year 2014, with at least \$180.8 million for the Ecosystems activity. We further request that Congress provide the USFS Forest and Rangeland Research program with at least \$310.2 million, and EPA's Office of Research and Development with at least \$600 million.

The AIBS is a nonprofit scientific association dedicated to advancing biological research and education for the welfare of society. AIBS works to ensure that the public, legislators, funders, and the community of biologists have access to and use information that will guide them in making informed decisions about matters that require biological knowledge. Founded in 1947 as a part of the National Academy of Sciences, AIBS became an independent, member-governed organization in the 1950s. Today, AIBS has nearly 160 member organizations and is headquartered in Reston, Virginia, with a Public Policy Office in Washington, DC.

U.S. GEOLOGICAL SURVEY

The USGS provides unbiased, independent research, data, and assessments that are needed by public and private sector decisionmakers. Data generated by the USGS save taxpayers money by reducing economic losses from natural disasters, allowing more effective management of water and natural resources, and providing essential geospatial information that is needed for commercial activity and natural resource management. The data collected by the USGS are not available from other sources and our Nation cannot afford to sacrifice this information.

The Ecosystems activity within USGS underpins the agency's other science mission areas by providing information needed for understanding the impacts of water use, energy exploration and production, and natural hazards on natural systems. The USGS conducts research on and monitoring of fish, wildlife, and vegetation—data that informs management decisions by other Interior bureaus regarding protected species and land use. Biological science programs within the USGS gather long-term data not available from other sources. The knowledge generated by USGS programs is used by Federal and State natural resource managers to maintain healthy and diverse ecosystems while balancing the needs of public use.

Other examples of successful USGS Ecosystem initiatives include:

- Development of comprehensive geospatial data products that characterize the risk of wildfires on all lands in the United States. These products are used to allocate firefighting resources and to plan fuel reduction projects.
- Identification of white-nose syndrome, a fungus that is devastating U.S. bat populations and could jeopardize the multi-billion dollar pest control services provided by bats.
- Identification and evaluation of control measures for Asian carp, sea lamprey, Burmese pythons, and other invasive species that cause billions of dollars in economic losses.
- Study of the impacts of solar energy and other next generation energy sources on wildlife and endangered species.

The requested fiscal year 2014 budget would support several important ecosystem science priorities at USGS. The budget would implement a recommendation by the President's Council of Advisors on Science and Technology to integrate information on the condition of U.S. ecosystems. The budget request would also enable the USGS to develop methodologies to better prevent, detect, and control Asian carp and other invasive species. USGS would be able to provide enhanced surveillance and diagnostic tools, and develop management tools for white-nose syndrome and other ecologically and economically costly wildlife diseases. Additionally, USGS would be able to study and better inform decisions about new energy sources.

The request also includes additional funding for water quality research, including in the areas of fisheries and contaminant biology. The budget would support development of a new system for access and use of water budget information. A central part of this new initiative is streamflow information collected by USGS' national network of streamgages.

Through the Cooperative Research Units, the USGS and their partners address pressing issues facing natural resource managers at the local, State, and Federal levels. Examples of recent research initiatives include studying the effects of the Gulf of Mexico oil spill on wildlife and fisheries, and improving management of elk and waterfowl. In addition to providing research expertise, these partnerships at 40 universities in 38 States serve as important training centers for America's next generation of scientists and resource managers. More than 500 graduate students each year receive training at Cooperative Research Units. The program is also an efficient use of resources: each Federal dollar invested in the program is leveraged more than three-fold. A modest increase is proposed for fiscal year 2014.

Although the proposed budget supports many USGS priorities, the requested funding level would result in \$36.6 million in cuts to programs that support agency core missions. The agency proposed these reductions to offset increases in fixed costs and to attain greater cost efficiencies.

In summary, the USGS is uniquely positioned to provide a scientific context for many of the Nation's biological and environmental challenges, including water quality and use, energy independence, and conservation of biological diversity. This array of research expertise not only serves the core missions of the Department of the Interior, but also contributes to management decisions made by other agencies and private sector organizations. USGS science is also cost-effective, as the agency's activities help to identify the most effective management actions. In short, increased investments in these important research activities will yield dividends.

#### U.S. FOREST SERVICE

United States Forest Service research provides scientific information and new technologies to support sustainable management of the Nation's forests and rangelands. These products and services increase the basic biological and physical knowledge of the composition, structure, and function of forest, rangeland, and aquatic ecosystems.

The fiscal year 2014 budget request would support key areas of scientific research, the outcomes of which will inform sustainable management of the Nation's forests and rangelands. USFS' research on wildland fire and fuels evaluates the effectiveness of hazardous fuels treatments and helps managers as they protect life and property and restore fire-adapted ecosystems. Research would also continue on priority invasive species, such as emerald ash borer and hemlock woolly adelgid, which have caused extensive damage to forests and local economies.

#### ENVIRONMENTAL PROTECTION AGENCY

The Office of Research and Development (ORD) supports valuable extramural and intramural research that is used to identify and mitigate environmental problems facing our Nation. ORD research informs decisions made by public health and safety managers, natural resource managers, businesses, and other stakeholders concerned

about air and water pollution, human health, and land management and restoration. In short, ORD provides the scientific basis upon which EPA monitoring and enforcement programs are built.

Despite the important role played by ORD, its funding has declined by 28.5 percent in Gross Domestic Product-indexed dollars since fiscal year 2004, when it peaked at \$646.5 million. "This long-term decline has limited and will continue to limit the research that can be conducted to support the agency's effort to protect human health and the environment," according to the EPA's Science Advisory Board. "These limitations pose a vulnerability for EPA at a time when the agency faces significant science questions with long-term implications for protecting the environment and public health."

At \$554.1 million, the budget request for fiscal year 2014 falls far short of addressing past and current shortfalls. We ask that Congress restore funding for ORD to at least the fiscal year 2010 enacted level.

The Ecosystem Services Research program within ORD is responsible for enhancing, protecting, and restoring ecosystem services, such as clean air and water, rich soil for crop production, pollination, and flood control. The program has been long underfunded, according to the EPA Science Advisory Board, with a 58 percent budget decline over the last decade. We ask that Congress address the chronic underfunding of the program.

The Science to Achieve Results (STAR) program supports valuable research on human health and the environment through competitively awarded research grants. The program enables EPA to fill information gaps that are not addressed by intramural EPA research programs or by other Federal agencies.

Two valuable training opportunities for the next generation of scientists will be removed from EPA as part of a proposed Government-wide consolidation of science, technology, engineering, and mathematics education programs. Funding would be zeroed out for EPA STAR graduate fellowships and Greater Research Opportunities undergraduate fellowships. The Science Advisory Board "considers it a priority to increase STAR fellowships, if possible, because support for environmental scientists at an early stage in their careers is a cost-effective way to advance ORD's strategic goals." The National Academy of Sciences called the fellowship "a valuable mechanism for enabling a continuing supply of graduate students in environmental sciences and engineering." We are concerned that the consolidation of these programs at the National Science Foundation will be detrimental to preparation of the next generation of environmental scientists and engineers. We ask for the program to remain at EPA and to be supported at an adequate funding level.

ORD's Safe and Sustainable Water Resources program supports research that underpins safe drinking water for society. The program's research also focuses on better understanding resiliency of watersheds to stressors and factors that affect watershed restoration. The budget request would allow the program to pursue research that will inform decisions about water safety and to ensure the sustainability of our wetlands.

In conclusion, we urge Congress to restore funding for the ORD to the fiscal year 2010 enacted level. These appropriation levels would allow ORD to address a backlog of research needs.

Thank you for your thoughtful consideration of this request.

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#### PREPARED STATEMENT OF THE AMERICAN INDIAN HIGHER EDUCATION CONSORTIUM

##### REQUEST SUMMARY

On behalf of the Nation's Tribal Colleges and Universities (TCUs), which together compose the American Indian Higher Education Consortium (AIHEC), thank you for this opportunity to present our fiscal year 2014 appropriations recommendations for the 29 colleges funded under the Tribally Controlled Colleges and Universities Assistance Act (Tribal College Act); the Bureau of Indian Education postsecondary institutions; and the Institute of American Indian Arts. The Bureau of Indian Education administers these programs, save for the Institute of American Indian Arts, which is congressionally chartered and funded directly through the Department.

In fiscal year 2014, TCUs seek \$75 million for institutional operations, an endowment building program, and technical assistance grants under the Tribally Controlled Colleges and Universities Assistance Act of 1978 or Tribal College Act; of which, \$74.3 million for titles I and II grants (27 TCUs); \$109,000 for title III (endowment grants), and \$600,000 for increasingly needed technical assistance. TCUs are founded and chartered by their respective American Indian tribes, which hold a special legal relationship with the Federal Government, actualized by more than



400 treaties, several Supreme Court decisions, prior congressional action, and the ceding of more than 1 billion acres of land to the Federal Government. Despite this trust responsibility and treaty obligations, the TCUs' primary source of basic operating funds has never been fully funded. With sequestration in effect, promising significant annual cuts to this already underfunded program, the more than 30-year Federal investment in this solid program will be lost, as some of these institutions may be forced to close their doors. This path to a bottom line number defies logic. Even before sequestration cuts, despite modest increases in funding, the TCUs' basic institutional operations grants have lost ground. Our fiscal year 2014 request seeks to achieve 75 percent of the authorized funding level for institutional operating grants, which is based on a per Indian student allocation, and to retain \$600,000 to provide critically needed ever changing technical assistance.

AIHEC's membership also includes tribally controlled postsecondary career and technical institutions whose institutional operations funding is authorized under title V of the act; AIHEC supports a request for \$9.372 million. There are three additional TCUs funded under separate authorities and within Interior Appropriations, namely: Haskell Indian Nations University, Southwestern Indian Polytechnic Institute, and the Institute of American Indian Arts. AIHEC supports their independent requests for support of the institutional operating budgets of these institutions.

Last, AIHEC seeks a one-time appropriation of \$17.4 million needed to forward fund the operations grants of the remaining TCUs that are not so funded. Five TCUs are the only schools whose operations funding come from the Department of the Interior that are not forwarded funded. All other BIE/Interior schools are forward funded and are able to plan multi-year budgets and start (and end) the school year with dependable funding. Forward funding does NOT increase the Federal budget over the long run. It simply allows critical education programs to receive basic operating funds before each school year begins, which is critically important when the Federal Government is funded under continuing resolutions.

#### TCU SHOESTRING BUDGETS: "DOING SO MUCH WITH SO LITTLE"

Tribal Colleges and Universities are an essential component of American Indian/Alaska Native (AI/AN) education. Currently, there are 37 TCUs operating more than 75 campuses and sites in 15 States, within whose geographic boundaries 80 percent of American Indian reservations and Federal Indian trust land lie. They serve students from well more than 250 federally recognized tribes, more than 75 percent of whom are eligible to receive Federal financial aid. In total, the TCUs annually serve about 88,000 AI/ANs through a wide variety of academic and community-based programs. TCUs are accredited by independent, regional accreditation agencies and like all U.S. institutions of higher education must periodically undergo stringent performance reviews to retain their accreditation status. Each TCU is committed to improving the lives of its students through higher education and to moving American Indians toward self-sufficiency.

To do this, TCUs must fulfill additional roles within their respective reservation communities functioning as community centers, libraries, tribal archives, career and business centers, economic development centers, public meeting places, and child and elder care centers.

The Federal Government, despite its direct trust responsibility and treaty obligations, has never fully funded the TCUs' institutional operating budgets, authorized under the Tribally Controlled Colleges and Universities Assistance Act of 1978. Almost every other U.S. institution of higher education receives institutional operations funding based on its entire student body. However, it is important to note that although about 17 percent of the TCUs' collective enrollments are non-Indian students living in the local community, TCUs only receive Federal funding based on Indian students, which are defined as members of a federally recognized tribe or a biological child of a tribal member. Currently, the administration requests and Congress appropriates over \$200 million annually, toward the institutional operations of Howard University (exclusive of its medical school), the only other MSI that receives institutional operations funding from the Federal Government. Howard University's current Federal operating support exceeds \$19,000/student. In contrast, most TCUs are receiving \$5,665/Indian Student (ISC) under the Tribal College Act, about 70 percent of the authorized level. TCUs have proven that they need and have earned an investment equal to—at the very least—the congressionally authorized level of \$8,000/Indian student, which is only 42 percent of the Federal share now appropriated for operating Howard University. Please understand that we are by no means suggesting that our sister MSI, Howard University does not need or deserve the funding it receives, only that the TCUs also need and deserve

adequate institutional operations funding; however, their operating budgets remain grossly underfunded.

While many TCUs do seek funding from their respective State legislatures for their students that are non-Indian State residents (sometimes referred to as “non-beneficiary” students) successes have been at best inconsistent. TCUs are accredited by the same regional agencies that accredit mainstream institutions, yet they have to continually advocate for basic operating support for their non-Indian State students within their respective State legislatures. If these non-beneficiary students attended any other public institution in the State, the State would provide that institution with ongoing funding toward its day-to-day operations. Given their locations, often hundreds of miles from another postsecondary institution, TCUs remain open to all students, Indian and non-Indian, believing that education in general, and postsecondary education in particular is the silver bullet to a better economic future for their regions.

#### FURTHER JUSTIFICATIONS

*TCUs provide access to valuable postsecondary education opportunities.*—Tribal Colleges and Universities provide access to higher education for American Indians and others living in some of the Nation’s most rural and economically depressed areas. In fact, 7 of the Nation’s 10 poorest counties are home to a TCU. The U.S. Census Bureau, American Community Survey indicates the annual per capita income of the U.S. population is \$27,100. However, the annual per capita income of AI/ANs is just \$13,300, about half that of the general population. TCUs offer their students a high level of support and guidance to bolster their chances of achieving academic success. In addition to serving their student populations, these tribal institutions offer a variety of much needed community outreach programs.

*TCUs are producing an American Indian workforce that includes highly trained American Indian teachers, tribal government leaders, nurses, engineers, computer programmers, and other much-needed professionals*—By teaching the job skills most in demand on their reservations, TCUs are laying a solid foundation for tribal economic growth, with benefits for surrounding communities and the Nation as a whole. In contrast to the high rates of unemployment on many reservations, graduates of TCUs are employed in “high demand” occupational areas such as Head Start teachers, elementary and secondary school teachers, agriculture and land management specialists, and nurses/healthcare providers. Just as important, the vast majority of tribal college graduates remains in their tribal communities, applying their newly acquired skills and knowledge where they are most needed.

#### ADDITIONAL FACTS

*A Growing Number of TCUs.*—Compounding existing funding disparities is the fact that although the numbers of TCUs and students enrolled in them have dramatically increased since they were first funded in 1981, appropriations have increased at a disproportionately low rate. Since 1981, the number of tribal colleges has more than quadrupled and continues to grow; Indian student enrollments have risen more than 350 percent. Since fiscal year 2005, five additional TCUs have become accredited and eligible for funding under title I of the Tribal College Act, another will be eligible for funding next year, and there are several more colleges in the pipeline. TCUs are in many ways victims of their own successes. The growing number of tribally chartered colleges and universities and increasing enrollments have forced TCUs to slice an already inadequate annual funding pie into even smaller pieces.

*Local Tax and Revenue Bases.*—TCUs cannot rely on a local tax base for revenue. Although tribes have the sovereign authority to tax, high reservation poverty rates, the trust status of reservation lands, and the lack of strong reservation economies hinder the creation of a reservation tax base. As noted earlier, on Indian reservations that are home to TCUs, the unemployment rate can well exceed 70 percent.

*Gaming and the TCUs.*—Although several of the reservations served by TCUs do have gaming operations, these are not the mega-casinos located in proximity to urban outlets and featured in the mainstream media. Only a handful of TCUs receive regular income from the chartering tribe’s gaming revenue, and the amounts received can vary greatly from year to year. Most reservation casinos are small businesses that use their gaming revenue to improve the local standard of living and potentially diversify into other, more sustainable areas of economic development. In the interim, where relevant, local TCUs offer courses in casino management and hospitality services to formally train tribal members to work in their local tribally run casinos.

Although some form of gaming is legalized in 48 States, the Federal Government has not used the revenues generated from State gaming as a justification to decrease Federal funding to other public colleges or universities. Some have suggested that those tribes that operate the few enormously successful and widely publicized casinos should be financing higher education for all American Indians. However, no State is expected to share its gaming revenue with a non-gaming State.

PRESIDENT'S BUDGET AND APPROPRIATIONS REQUEST FOR FISCAL YEAR 2014

As noted earlier, it has been more than three decades since the Tribal College Act was first funded, and the TCUs have yet to receive the congressionally authorized per Indian student funding level. To fully fund the TCUs' institutional operating grants at \$8,000 per Indian student, would require an increase of approximately \$30 million over the fiscal year 2013 appropriated level. However, we do recognize the budget constraints the Nation is currently facing and consequently, we are not requesting that level of increase in fiscal year 2014, but rather seek to achieve 75 percent of the authorized funding level, determined by the per Indian student allocation, which requires an increase of \$11.1 million over fiscal year 2013 and \$5.2 million over the President's fiscal year 2014 budget request. Details of the request are outlined in the Request Summary above.

CONCLUSION

Tribal Colleges and Universities provide quality higher education to many thousands of American Indians and other reservation residents who might otherwise not have access to such opportunities. The modest Federal investment that has been made in TCUs has paid great dividends in terms of employment, education, and economic development. Continuation of this investment makes sound moral and fiscal sense.

We greatly appreciate your past and continued support of the Nation's Tribal Colleges and Universities and your serious consideration of our fiscal year 2014 appropriations requests.

PREPARED STATEMENT OF THE ALL INDIAN PUEBLO COUNCIL

Established in 1598, the All Indian Pueblo Council (AIPC) has served as the political voice of the Pueblos of New Mexico and Texas. The AIPC is comprised of 20 Pueblos: Acoma, Cochiti, Isleta, Jemez, Laguna, Nambe, Ohkay Owingeh, Picuris, Pojoaque, San Felipe, San Ildefonso, Sandia, Santa Ana, Santa Clara, Santo Domingo, Taos, Tesuque, Ysleta del Sur, Zia, and Zuni. Every Pueblo governor carries a cane from President Abraham Lincoln, which was specifically presented to the governors 150 years ago to acknowledge our sovereign authority over our lands and our people. Each cane is a physical embodiment of the recognition of our status and of the commitment of the United States to protect and respect our sovereign rights, as well as to support the well-being of our communities.

It is with the United States' commitments firmly in mind that we provide testimony to Congress. AIPC asks that the subcommittees:

- Exempt Indian programs from further sequestration;
- Fund Indian programs at a level that keeps pace with inflationary costs;
- Fully fund Contract Support Costs; and
- Support *Carcieri* and *Patchak* Fixes.

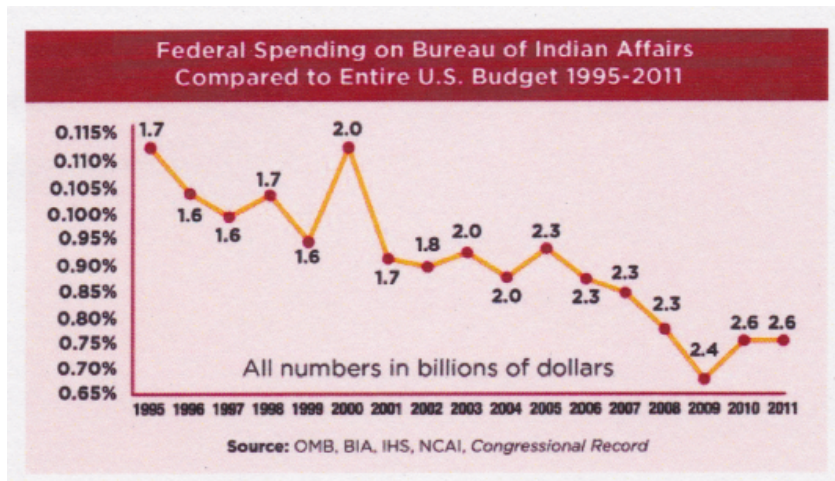
*Exempt Indian programs from further sequestration.*—While the effects of sequestration are initially becoming apparent in the form of delayed flights and inconvenienced travelers, we can attest that it will do much for than inconvenience Indian Country. The Pueblos provide essential services to our citizens but we cannot do that alone. When funding for programs is cut, we often have very few other resources to turn to make up the difference. Unfortunately, the sequestration applies fully to virtually all Federal Indian programs, even though many Native communities suffer the worst social and economic statistics in the country, largely due to Federal action and policies in place over the last 200 years.

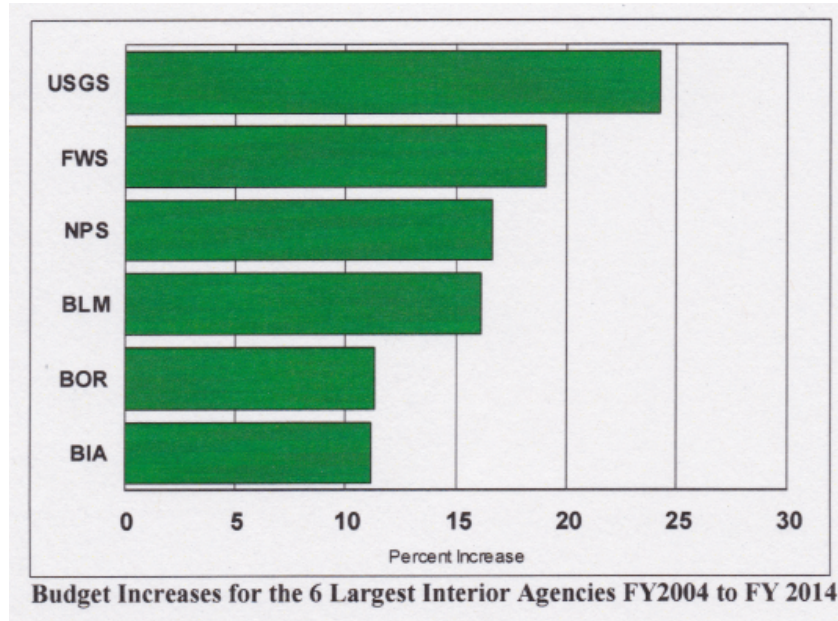
This situation is particularly heartbreaking for Native people when we see that many low-income programs (such as Child Care Entitlement to States; Child Health Insurance Fund; Family Support Programs and Temporary Assistance for Needy Families) were exempted from sequestration but Federal Indian programs were not. It is heartbreaking for us when we see that the Veterans Administration's hospital system was exempted from sequestration but the Indian Health Service (IHS) was not. This puts the life, health and well-being of generations of Native peoples at risk in a system that already strains to deliver basic healthcare. The subcommittees can

and should fund the IHS at a level that would offset the sequester amount and in doing so honor our Nation's commitment to its First Peoples.

*Fund Indian programs at a level that keeps pace with inflationary costs.*—When evaluating whether the Federal budget fulfills the Trust responsibility, AIPC believes that it is critical to take into account the effects of inflation. From fiscal year 2002 through fiscal year 2008, despite annual increases, after taking into account the effect of inflation, most Federal domestic programs, including the Indian programs, saw a purchase power decrease of approximately 14 percent. The large budget increase in fiscal year 2009, including American Recovery and Reinvestment Act funding, was approximately enough to make up for this effective cut and bring the purchase power of Indian programs back to fiscal year 2002 levels, but in the intervening 12 years, Indian Country needs have grown substantially. And, of course, the fiscal year 2002 levels were inadequate to address the needs of Indian Country or to fulfill the Federal Government's trust obligation.

In a very real way, the budget of the United States Government reflects the values of the American people. Courtesy of the National Congress of American Indians (NCAI), set forth below is a chart that depicts the percentage of the Federal budget dedicated to funding the Bureau of Indian Affairs (BIA). As you can see, as a percentage of the overall budget, the BIA budget has declined from 0.115 percent in fiscal year 1995 to 0.075 percent (correcting chart typo) in fiscal year 2011, approximately a one-third decline as a percentage of the overall budget (despite a small bump up in fiscal year 2010). Below that chart is another which demonstrates that over the last 10 years, when funding increases have come to the Department of the Interior they have been greater for other major agencies within the Department than for the BIA.





AIPC respectfully asks that the subcommittees support funding increases for Federal Indian programs that consistently exceed the relevant rate of inflation in order to achieve real progress in closing the services gap for Native people. At a minimum, Federal Indian programs should be held harmless from any reductions coming from sequestration or similar future draconian cuts. Federal Indian programs should not be deemed discretionary, but rather mandatory.

**Fully Fund Contract Support Costs.**—AIPC thanks Congress for appropriating additional funding for IHS Contract Support Costs (CSC) necessary to administer Tribal health programs authorized under the Indian Self-Determination and Education Assistance Act. Even so, there remains an ongoing shortfall of CSC, which continues to impose significant hardships on our ability to provide adequate health services to our patients when direct program funds have to be diverted to pay overhead costs. We urge the subcommittees to continue to push for full funding of CSC. While it is difficult to estimate the full CSC need for fiscal year 2014—in part because IHS refuses to release its CSC distribution data for the last 2 years—the total needed increase over the administration’s request for CSC fiscal year 2014 for Compacting and Contracting Tribes is estimated to be at least \$617 million. BIA Contract Support Costs should also be fully funded; the estimated increase needed to fully fund CSC is an additional \$22.7 million.

Given the progress toward full CSC funding in recent years, we are dismayed the administration’s fiscal year 2014 budget proposed only a minimal increase for IHS CSC to \$477 million. This would force tribes to absorb almost \$140 million in uncompensated costs for allowable and reasonable administration costs associated with managing Federal programs. The administration’s proposed appropriations act language, whether intentional or not, attempts to preclude tribes from their right to recover any of their CSC shortfalls through contract actions, as ruled by the Supreme Court in the *Salazar v. Ramah Navajo* decision. The bill language would incorporate by reference a table identifying the capped amount as determined by the agency of CSC available to be paid for every compactor or contractor. This process is being proposed without Tribal Consultation and is unworkable, therefore we urge that the committees reject this proposed approach and, instead, fully fund CSC for both IHS and BIA.

**Carcieri and Patchak Fixes.**—Although there is no question that the 20 Pueblos were “under Federal jurisdiction” in 1934, and thus are not subject to the immediate harmful effects of the Supreme Court’s decision in *Carcieri v. Salazar*, it is still important that this holding be overturned by congressional legislation. This decision has led to two classes of tribes—those that can take land into trust and build up

their communities and those that cannot. The President has included *Carciere* “fix” language in his fiscal year 2014 budget, and the subcommittees strongly supported “fix” language earlier, including it within the fiscal year 2011 appropriations bill. Passing this legislation is the right thing to do, and will help prevent numerous jurisdictional and other uncertainties that would hamper many of our fellow tribes. AIPC asks that the subcommittees take up the fight for fair and equal treatment of all Tribal nations and, once again, advance a *Carciere* fix. We also ask that the subcommittees support a *Patchak* fix, a ruling which affects every tribe because it provides that even up to 6 years after land has been taken into trust a suit can be brought challenging that decision. Both of these holdings are severely hampering economic development in Indian Country.

CONCLUSION

AIPC’s mission is to promote justice and to encourage the common welfare of the Pueblo citizens. We address governmental policy and social issues and we strive to revitalize Pueblo culture and to preserve our Pueblo languages. We are proud of our cultural heritage and want to ensure that our children and our children’s children carry on our traditions and speak our languages for generations to come. We ask that the Federal Government uphold its solemn trust responsibility and we thank the subcommittees for considering our testimony.

PREPARED STATEMENT OF THE ASSOCIATION OF JOINT VENTURE MANAGEMENT BOARDS

The Association of Joint Venture Management Boards (AJVMB) seeks continued support for Federal funding of the Migratory Bird Joint Ventures through the U.S. Fish and Wildlife Service. We are respectfully requesting \$15.5 million for the Joint Ventures (JVs). Joint Ventures bring together Federal and non-Federal partners to support the implementation of national and international conservation plans for the benefit of birds, other wildlife and people.

Over the course of their history, Joint Venture partnerships have leveraged \$36 of non-Federal funds for every \$1 of Federal funds. That 36:1 leverage has enabled us to conserve 20.5 million acres of critical habitat and contributed to significant population increases in most waterfowl populations. Because of the success of the Joint Venture partnership model, JVs have grown in terms of geographic extent as well as the species and habitats they support.

Today, 18 habitat Joint Ventures and three species Joint Ventures have responsibility for the conservation of all migratory bird populations. Joint Venture efforts include on-the-ground habitat conservation and restoration projects, biological planning, linking partners to tools and resources, monitoring and evaluation, and public outreach.

This year, the Association of Joint Venture Management Boards undertook an assessment of all of the individual Joint Ventures’ needs for their base operational capacity. This analysis resulted in our request for \$15.5 million for fiscal year 2014 for the program. Our request of \$15.5 million will enable Joint Ventures to continue their current basic functions, and meet the documented needs for improvements to conservation design, habitat delivery, communications, biological monitoring, and research.

The fact sheet accompanying this letter shows how Joint Ventures have invested the Federal funding entrusted to them by Congress, the administration and the American public. We believe that the fact sheet demonstrates that the trust was well placed.

PREPARED STATEMENT OF THE AMERICAN LUNG ASSOCIATION

[Dollars in millions]

	Fiscal year 2014 request
Science and Technology:	
Clean Air and Climate: Federal Vehicles and Fuels Standards and Certification .....	\$100.4
Indoor Air and Radiation: Indoor Air Radon Program .....	0.21
Research: Air, Climate and Energy .....	105.7
Environmental Programs and Management:	
Clean Air and Climate: Clean Air Allowance Trading Program .....	20.5
Clean Air and Climate: Climate Protection Program .....	106.1

[Dollars in millions]

	Fiscal year 2014 request
Clean Air and Climate: Federal Stationary Source Regulations .....	34.1
Clean Air and Climate: Federal Support for Air Quality Management .....	132.8
Indoor Air and Radiation: Indoor Air Radon Program .....	3.9
Compliance Monitoring .....	127.5
Enforcement .....	267.8
Grants to States:	
Diesel Emission Reduction Grant Program .....	20.0
Radon .....	8.0
State and Local Air Quality Management .....	257.2

The American Lung Association is pleased to present our recommendations for fiscal year 2014 to the Senate Appropriations Subcommittee on the Interior, Environment and Related Agencies. The American Lung Association was founded in 1904 to fight tuberculosis and today, our mission is to save lives by improving lung health and preventing lung disease. We urge the committee to ensure that the U.S. Environmental Protection Agency has the necessary resources to protect the public health from air pollution, and to adopt a fiscal year 2014 bill free from any policy riders.

Fulfilling the promise of the Clean Air Act to protect public health and save lives is a tremendous responsibility. Much progress has been made, but the EPA workload continues to be vast. In 2014, EPA must implement the health-based air quality standards for PM and ozone among others; continue implementing rules to clean up toxic pollution from industrial sources including but not limited to power plants; clean up toxic pollution from automobile tailpipes; and reduce carbon pollution from powerplants. In addition, EPA must have the resources needed to aggressively enforce the law to ensure compliance and protect the public; support State and local air pollution cleanup; continue research on the health impacts of air pollution and best ways to prevent and reduce exposure; improve air pollution monitoring; and ensure that the Clean Air Act is implemented in a way that protects the most vulnerable. As a Nation, we need EPA to be able to do all of these things. Inadequate resources will hurt the health of our communities, families, children and the most vulnerable populations. Below, we have highlighted key provisions of the President's fiscal year 2014 budget that deserve your support.

#### SCIENCE AND TECHNOLOGY

##### *Clean Air and Climate: Federal Vehicle Fuels Standards and Certifications Programs*

Congress should provide at least the requested \$100.4 million in support for the EPA Federal Vehicle Fuels Standards and Certifications Programs. EPA has not been able to keep up with increasing demand vehicle certification and compliance testing, or the increasing diversity of technologies. Currently EPA has resources to conduct very limited testing of small imported engines, but a high fraction of these engines fail the tests. Additional resources are needed to improve this important program to protect public health. Additional resources will also expand EPA's ability to address greenhouse gas emissions from locomotives, marine craft and aircraft.

We also strongly support EPA's work to strengthen gasoline and vehicle standards. Cars, light trucks and SUVs are a major source of pollution that contributes to ozone and particle pollution. These pollutants trigger asthma attacks, harm heart and lung health, worsen existing conditions such as chronic obstructive pulmonary disease (COPD) and diabetes and can even lead to early death. Cleaner gasoline and vehicle standards will save thousands of lives each year, and prevent tens of thousands of asthma attacks and related hospitalizations.

##### *Indoor Air and Radiation*

The American Lung Association strongly opposes the \$210,000 cut to the Indoor Air Radon Program for science and technology support for addressing the threat from radon. Exposure to radon continues to be a significant risk to human health, and is the largest cause of lung cancer after tobacco.<sup>1</sup> Without the science and tech-

<sup>1</sup>U.S. Environmental Protection Agency. *EPA's Assessment of Risks from Radon in Homes* (2003).

nology support from EPA, State programs will struggle to protect the public from the threat of radon. Please fully restore this funding.

*Research: Air, Climate and Energy*

The American Lung Association strongly supports EPA's Air, Climate and Energy Research Program. Research is essential to improve the understanding of the health effects of air pollution and determining what levels of pollution should be set to protect the public with an adequate margin of safety. Additionally, improving the Nation's air pollution monitoring network is absolutely critical in providing better information to enhance Federal, State, and local knowledge and empower efforts to protect the health of their communities. We urge Congress to provide the full \$105.7 million as requested in the President's fiscal year 2014 budget. Continued investment in other areas of research, especially in climate change and biofuels, is also vital.

ENVIRONMENTAL PROGRAMS AND MANAGEMENT

*Clean Air and Climate*

Please support the EPA's Clean Air Allowance Trading Program funding request of \$20.5 million, to support development, implementation, and assessment of, and provides regulatory and modeling support for, efforts to address major regional and national air issues from stationary sources. Clean air allowance trading programs help implement the National Ambient Air Quality Standards (NAAQS) to reduce acid deposition, toxics deposition, and regional haze. Pollutants include sulfur dioxide (SO<sub>2</sub>), nitrogen oxides (NO<sub>x</sub>), and, as a co-benefit of SO<sub>2</sub> emission reductions, mercury. These are common sense investments in public health.

We strongly support the requested funding level of \$106.1 million for the Climate Protection Program. EPA has an obligation to address public health threats associated with climate change. Higher temperatures can enhance the conditions for ozone formation. Even with the steps in place to reduce ozone, evidence warns that changes in climate could increase ozone levels in the future in large parts of the United States. More ozone means more asthma attacks, which increase the burden on already vulnerable populations.

We support the President's budget increases to improve air quality and address climate change. Specifically, we support the President's budget request of \$34.1 million for Federal Stationary Source Regulation. EPA must have increased resources to meet increased demands of the Clean Air Act, including the statutory obligation to review dozens of stationary source air toxics standards due for their 8-year review in fiscal year 2014. We urge Congress to provide funding needed to complete the review and revise these standards to protect public health.

The American Lung Association President's fiscal year 2014 budget request of \$132.8 million, for the Federal Support for Air Quality Management. People who live near major sources of pollution often face the greatest health risk. Through development of faster, electronic reporting, closing of data gaps, and continuing to develop the science necessary to reduce pollution to healthy levels, EPA supports States, Tribes and local agencies and directly benefits communities.

*Indoor Air and Radiation: Indoor Air Radon Program*

The American Lung Association strongly supports EPA's work to reduce the risk from radon in Federal housing programs, but EPA's radon categorical grants also require staff support and oversight which have been cut from the President's fiscal year 2014 budget. We urge Congress to provide \$3.9 million for the Indoor Air Radon Program (restoring funding to fiscal year 2012 enacted levels) to ensure EPA can provide needed support and oversight to the States. EPA must provide basic oversight and guidance to States as they work to reduce threats from radon.

*Compliance Monitoring & Enforcement*

EPA must ensure that air pollution standards and requirements are being met to protect public health. The American Lung Association supports EPA's request for compliance monitoring and enforcement funding to identify and reduce non-compliance, and enforce penalties when required to deter future non-compliance. In order to effectively protect the public and promote justice, EPA must have the ability to enforce penalties for permit violations and respond to civil enforcement actions authorized by the Clean Air Act. Please fully fund EPA's Compliance Monitoring request for \$127.5 million, and their Enforcement program request of \$267.8 million, in the interests of the Nation's youngest, oldest, and most economically challenged citizens. The American public needs a pollution cop on the beat, and they should be fully prepared and given adequate resources to fulfill their duties.



## GRANTS TO STATES

*Diesel Emission Reduction Act*

The American Lung Association strongly opposes cuts in the President's budget to the widely supported Diesel Emission Reduction Act (DERA) program that was reauthorized in late 2010. Please restore funding to at least \$20 million. Twenty million old diesel engines are in use today that pollute communities and threaten the public and workers. Immense opportunities remain to reduce diesel emissions and protect public health through the DERA program.

*Radon*

We strongly oppose the elimination of the \$8 million State radon categorical grants as proposed in the President's budget. Without the financial support from EPA, the State programs will not be able to protect the public from the pervasive threat of radon.

*State and Local Air Quality Management*

We strongly support the requested \$257.2 million for State and Local Air Quality Management Grants. State and local air pollution agencies need more resources, not less, to ensure proper implementation of the Clean Air Act and protection of the public, since they are on the front lines nationwide in efforts to improve air quality. Yet they are perennially underfunded. In fiscal year 2014, the States and local agencies will develop State-specific strategies to implement air quality standards, including modeling and developing emission inventories; implement and enforce Federal mercury and air toxics standards including monitoring, collecting, and analyzing emissions data; operate and maintain air pollution monitoring network; and much more. These activities are crucial to ensuring success of the Clean Air Act.

NOTE: We oppose a provision in the President's fiscal year 2014 budget that would gradually shift PM<sub>2.5</sub> monitoring funds from Clean Air Act, section 103 (where matching funds are not needed) to section 105, which requires additional matching funds. Federal funds must be made available for Clean Air Act implementation and enforcement, especially if State or local funds are lacking.

## CONCLUSION

Thank you for the opportunity to present the recommendations of the American Lung Association. For more than 40 years the Clean Air Act has directed EPA to protect the public from air pollution and fulfill the promise of air that is clean and healthy for all to breathe. We urge the committee to ensure that EPA is meeting the required deadlines and updating standards to reflect the best science with the maximum health protection, and to pass and fiscal year 2014 bill free of any policy riders.

## PREPARED STATEMENT OF THE ARCTIC NATIVE SLOPE ASSOCIATION, LTD.

Chairman Reed, Ranking Member Murkowski, and other distinguished members of the subcommittee, thank you for the honor and opportunity to testify before you today regarding the fiscal year 2014 budget for the Indian Health Service (IHS). My name is Angela Cox. I am an Inupiaq from the northern most Tribe in the United States, and I am the Vice President of Administration for the Arctic Slope Native Association (ASNA). We are an inter-tribal health organization based in Barrow, Alaska and we are controlled by and serve eight federally recognized Tribes situated across Alaska's North Slope.

The anchor for all of our services is the IHS Samuel Simmonds Memorial Hospital in Barrow. Since 1996 we have operated this IHS facility under a self-governance compact with IHS, now compacted under title V of the Indian Self-Determination Act. The region we serve is quite large, equal in size to the State of Minnesota.

I am here to provide testimony about our new IHS hospital, which is in the final stages of completion. This new 100,000 square foot state-of-the-art hospital is replacing the 25,000 square foot hospital which IHS built in 1963. We are excited about our new facility and must pause to thank this subcommittee for its extraordinary work in providing the majority of the funds necessary for this project.

I am particularly proud to say that we contracted for the construction of this hospital under title V, and that we are completing the project within budget. Next month (May 2013) we will receive our certificate of beneficial occupancy. In 5 months (September 2013) actual patient services will begin in the new hospital.

But, a brand new hospital is of little use if it there is no new staffing. This is one reason why I am here to testify about IHS's proposed fiscal year 2014 budget.

The most significant impacts for ASNA in that budget are staffing for new facilities and contract support costs.

*New Hospital Staffing.*—Our staffing requirements for the new hospital were developed over the course of several years, and IHS signed our final staffing package in May 2011. The new IHS hospital is four times larger than our existing facility and many more services will be available—assuming we have the staffing—including CT-scan, physical therapy, and optometry, as well as expansions of existing services. Many of the new services are currently only available by flying to Anchorage, which is more than 700 air miles south of Barrow. Practically speaking, that means only some patients receive this care, and others simply go without. Providing this care locally will enhance patient health while producing considerable savings over travel and lodging costs in Anchorage.

Our existing staffing package for the old hospital is 116 FTEs (full time equivalent employees). IHS calculated the new hospital staffing package—granted, only at the standard 85 percent-of-capacity formula—to be 256 FTEs. That is a 140 FTE increase in staff. (If IHS were staffing the hospital at the level for which it was designed, based upon IHS's patient need methodology, the staffing would actually be 301 FTEs. As I said a moment ago, 256 FTEs is only 85 percent of full staffing.)

Although we require 140 new FTEs for a total of 256 FTEs, the fiscal year 2014 budget only requests 49 new FTEs for a total of 165 FTEs. That is only 35 percent of the personnel required to bring the hospital online at 85 percent capacity. In other words, about half of the hospital will be empty and unused. (As a matter of fact, even though we are commencing patient services in current fiscal year 2013, ASNA is not slated to receive any fiscal year 2013 IHS staffing funds.)

It makes little sense for Congress to finance the construction of a high priority new facility, and then to leave the facility half-staffed and unable to provide the care for which it was designed. We ask that the subcommittee take corrective action to staff the Barrow Hospital by adding 140 new FTEs, not a mere 49 FTEs.

*Contract Support Costs.*—The underfunding of the staffing package is compounded by the underfunding of our contract support requirements. These are the funds which IHS is required, by contract, to pay ASNA for the cost of operating the Barrow Hospital and outlying village clinics.

ASNA's contract support has been underfunded since 1996. Each year since then we have had to redirect healthcare monies, including FTE staffing funds, to cover for IHS's failure to pay these costs in full. This subcommittee has been heroic in seeking to close the national gap in funding all tribal contract support cost requirements, and we thank this subcommittee for its hard work. No one has done more to remedy this perennial problem than this subcommittee.

We appreciate that it is extremely difficult to find new funds and to reorder priorities in a "sequester" environment. But with all due respect to the President, the administration, and to Director Roubideaux, honoring a contract in full is not a choice among priorities; it is a legal obligation.

I say this from direct experience. The subcommittee is surely familiar with the recent Supreme Court decision involving BIA contract underpayments, called *Salazar v. Ramah*. What may be less well known is that for 9 years we have been litigating identical claims against IHS. When the Supreme Court decided the *Ramah* case, the Supreme Court also issued an Order reopening our *Arctic Slope* case. A few weeks later, the Court of Appeals said we would be able to recover the unpaid portion of our contracts through the Federal Judgment Fund, just like any other Government contractor. Just this month, we finally settled our 1999 claim for \$1.4 million plus interest.

The proposed budget would prevent us from securing justice on our contract claims in fiscal year 2014. It would cap contract payments to ASNA and deprive us of our day in court for any losses. That is its stated purpose. We are shocked that the agency would propose this, particularly after having just lost decades of litigation in the Supreme Court. The answer when you lose a case in the Supreme Court is to honor the ruling, not look for a way to get around it.

I am particularly disappointed to see IHS call its new proposal a Supreme Court "recommendation." The Supreme Court never recommended cutting off our claims. The Supreme Court vindicated our claims. The agency has turned the Court's words in order to avoid paying our contracts in the future. The agency and the Department are not proposing to cut off the contract rights of its many non-Indian contractors, and it should not treat Indian contractors any differently.

Worse yet, the administration has done this in secret, without any consultation whatsoever with the impacted tribes. We understand the importance of the current fiscal challenges and would like to be part of the solution; this is the value of supporting tribal consultation.

In short, in the wake of the *Ramah* and *Arctic Slope* decisions, contract support costs should be fully funded at \$617 million. However, regardless of funding levels, no new language should be added that would cut off our contract rights under the Indian Self-Determination Act. If any proposal is going to be advanced to alter our contract rights under the Indian Self-Determination Act, it should be done through an open and transparent process that is led by the authorizing committees which wrote the act, beginning with Chairwoman Maria Cantwell's Committee on Indian Affairs.

In my language we end our public statements by simply saying, Quyanaqpak, or Thank you very much.

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PREPARED STATEMENT OF THE ALASKA NATIVE TRIBAL HEALTH CONSORTIUM

My name is Andy Teuber, I am the Chairman and President of the Alaska Native Tribal Health Consortium (ANTHC). For the fiscal year 2014 Indian Health Service (IHS) budget we are requesting full funding for contract support costs (CSC), currently estimated to be \$617 million for fiscal year 2014. ANTHC also requests that the subcommittee not accept the statutory language proposed by the administration that would be a statutory "amendment-by-appropriation" effectively cutting off the future contract rights of tribes.

ANTHC is a statewide tribal health organization that serves all 229 tribes and more than 140,000 American Indian and Alaska Natives (AI/AN) in Alaska. ANTHC and Southcentral Foundation co-manage the Alaska Native Medical Center (ANMC), the tertiary care hospital for all AI/ANs in Alaska. ANTHC also carries out virtually all non-residual Area Office functions of the IHS that were not already being carried out by Tribal health programs as of 1997.

FULL FUNDING FOR CONTRACT SUPPORT COSTS

Indian tribes and tribal organizations are the only Federal contractors that do not receive full CSC. There is a clear obligation on the part of the Federal Government to fully fund CSC. But more importantly, lack of full funding for CSC has a very real and detrimental impact on our programs that are already substantially underfunded.

CSC is used to reimburse our fixed costs for items that we are required to have but are not otherwise covered by the IHS budget, either because another governmental department is responsible or because the IHS is not subject to that particular requirement. Examples include federally required annual audits and telecommunication systems. We cannot operate without these things, so when CSC reimbursements are underfunded we have to use other program funds to make up the shortfall, which means fewer providers that we can hire and fewer health services that we can provide to our patients.

The best projection available shows that the CSC shortfall for fiscal year 2014 will be approximately \$140 million. Given these significant shortfalls, IHS's request for only a \$6 million increase in CSC for fiscal year 2014 is extremely disappointing. Our disappointment is particularly acute when we consider that the BIA has requested near full funding for CSC for its programs.

The inadequate IHS request could return us to a situation similar to the one we endured from 2002 to 2009, when there were virtually no increases for IHS CSC appropriations and the CSC shortfall increased by over \$130 million. During that period, as our fixed costs increased every year, all major tribal health programs in Alaska were forced to lay off staff due to lack of funds.

The opposite is also true: when CSC reimbursement increases occur, vacant positions are filled. If ANTHC had full funding of our CSC requirements, we would be able to fill scores of provider and support positions, including enrollment technicians, financial analysts, medical billing staff, professional recruiters, maintenance technicians, security officers, information technology support and professional support staff.

ANTHC respectfully requests that the Federal Government honor its legal obligations to tribes and tribal organizations and fully fund CSC reimbursements by providing \$617 million for IHS CSC reimbursements in fiscal year 2014.

REJECTION OF ADMINISTRATION'S PROPOSAL TO CUT OFF TRIBAL CONTRACT RIGHTS

Perhaps more worrisome than the inadequate funding requested by IHS for CSC in fiscal year 2014 is IHS's proposal to give legal effect to a table that the Secretary, HHS, would provide to appropriators—the table would specify the maximum amount that each tribal contractor is entitled to be paid. Since tribal contracts are

“subject to appropriations,” this proposal by the administration could limit the amount that is “available” to tribes to the amount listed in the table.

This proposal to cap CSC is an unnecessary and unfair overreaction by the administration to recent Supreme Court decisions that directed the Federal Government to pay tribes their full CSC. While the administration seeks to limit CSC payments to tribes by this proposal, there is no similar proposed limit on the amount of services for which tribes have to perform under their compacts/contracts with the Federal Government. This is another example of how tribal contractors are unfairly singled out from and treated adversely compared to any other Federal contractors.

If adopted, the administration’s proposal would effectively make tribal contracts second-class contracts. While the Federal Government would pay all non-tribal contractors in full, this proposal would direct tribes do carry out their full contract responsibilities, yet receive less-than-full payment.

I appreciate your consideration of our recommendations to not accept any new statutory language that would limit the contract right of tribes for CSC and for additional CSC funding to improve the level, quality and accessibility of desperately needed health services for AI/ANs whose health care status continues to lag far behind other populations in Alaska and in this Nation.

#### PREPARED STATEMENT OF THE ALEUTIAN PRIBILOF ISLANDS ASSOCIATION

*Summary.*—We are planning for reconstruction of the Unalaska Hospital and the Atka Island clinic, both of which were destroyed during World War II. We are working with the Indian Health Service (IHS) toward staffing and other assistance for these facilities through our position on the IHS’s list for the competitive joint venture program, and we are looking for non-IHS sources of funding for reconstruction, including appropriations to support an amendment to the Aleutian and Pribilof Islands Restitution Act. We respectfully ask the subcommittees to support our proposed amendment to the Restitution Act and appropriate \$42.6 million for reconstruction of these two health facilities.

We also ask that the subcommittees appropriate sufficient Indian Health Service funds for staffing and operations of new health facilities so that more tribal joint venture projects may open their doors to provide healthcare for our underserved patients. We also request that the subcommittees end the chronic underfunding of Indian health programs and provide \$8.2 million to cover real costs incurred for Clinics leased under the Village Built Clinics (VBC) program, \$617 million in IHS contract support costs (CSC), and to exempt the IHS, which is already at only 56 percent of needed funding, from future budget sequestration.

The Aleutian Pribilof Islands Association (APIA) is a regional nonprofit tribal organization with members consisting of the 13 federally recognized tribes of the Aleutian Chain and Pribilof Islands Region of Alaska. APIA provides healthcare services to the Alaska Natives in six of the tribal communities of this Region through funding received from the Indian Health Service under title V of the Indian Self-Determination and Education Assistance Act (ISDEAA), and also provides other health-related services to all 13 tribal communities through various non-IHS grants and agreements.

#### FUNDING FOR RECONSTRUCTION OF TWO HEALTHCARE FACILITIES DESTROYED DURING WWII

During World War II, communities within the APIA region suffered historic losses, not only to their populations due to deaths arising from inadequate healthcare and poor living conditions during removal by the U.S. Government to camps in southeast Alaska, but also to two healthcare facilities that were destroyed and never rebuilt or accounted for in prior restitution made to the Aleutian and Pribilof tribal communities.

On June 4, 1942, the Japanese bombed the 24-bed hospital operated at that time by the Bureau of Indian Affairs in Unalaska, Alaska. Since that time, the closest hospital is located in Anchorage, Alaska—800 air miles away, and not accessible by roads. Ten days later and 350 miles to the east, on June 14, 1942, the residents of Atka Island were forcibly evacuated from the Island by the United States for their “safety,” and the United States Navy burned all of the structures on the Island to the ground, including the Island’s health clinic, to prevent their use by the Japanese.

Congress passed the Aleutian and Pribilof Islands Restitution Act in 1988 (Public Law 100-383), which led to creation of the Aleutian and Pribilof Islands Restitution Trust to administer funds appropriated under the Restitution Act on behalf of the St. Paul, St. George, Unalaska, Atka, Akutan, Nikolski, Biorka, Kashega and

Makushin communities. The Restitution Act provided very limited appropriations to partially address losses suffered by these communities during evacuations from 1942 to 1945. During that time, the treatment of the Aleut people in the evacuation camps lacked even the most basic attention to health and human safety matters, in extremely crowded, unheated, abandoned buildings with very poor sanitation conditions. Ten percent of the Aleuts who were evacuated died in the camps. For those who returned to their communities, many found their homes and community facilities destroyed, possessions taken, and churches stripped of religious icons by the U.S. military.

Remarkably, replacement of the core medical facilities serving these communities was not addressed through the Restitution Act or other appropriations. While we understand that these are lean economic times, the United States is currently spending significant funds for wartime restoration and reconstruction in foreign countries, making the appropriation of funds for reconstructing the only hospital destroyed by a foreign country on U.S. soil during wartime, and reconstruction of a health clinic deliberately burned down by the U.S. Navy, more than justified.

The time is now to replace the Unalaska hospital and the Atka Island Clinic. The Aleutian and Pribilof tribal communities are the most remote within the State of Alaska. The next level of referred specialty and inpatient care is in Anchorage. The replacement hospital facility would directly serve the 5,000 year-round residents of Atka, Dutch Harbor, Nikolski and Unalaska, in addition to the typically hundreds of seasonal fishery workers requiring immediate emergency or primary care. Having a hospital would eliminate the need to send referrals to Anchorage at an average airfare cost of \$1,400, not to mention the cost of lodging, meals and the personal hardship of having to leave the community for days at a time. Atka lies 350 miles away from Unalaska, so until its clinic has sufficient capacity to meet local need, that population is at severe risk due to its isolated, weather-challenged, location.

Based on inflation-adjusted 2010 projected cost estimates, the total funding needed for reconstruction of the Unalaska hospital is \$39.1 million. The inflation-adjusted cost for the Atka Island clinic, based on a 2003 Denali Commission clinic design, is \$3.5 million. APIA thus requests \$42.6 million in funding for reconstruction of these facilities.

APIA is ranked near the top in the IHS's joint venture program, under section 818(e) of the Indian Health Care Improvement Act, however we are unable to move forward without identified construction resources. For facilities subject to the IHS joint venture program, construction must be accomplished with non-IHS money. The Restitution Act offers the best legislative framework for an appropriation from Congress. We recommend that the Restitution Act be amended to add a new section 1989C-4(b)(1)(D) to title 50 of the United States Code, to state as follows: "(D) One account for the construction, operation, and maintenance of an inpatient hospital facility in Unalaska and health clinic in Atka with a direct appropriation of \$42,600,000 for those purposes." We ask for the subcommittees' support of such an amendment and the related appropriation of funds.

If we are to successfully receive this non-IHS construction project funding, the joint venture program would allow APIA to enter into a no-cost lease with the IHS for a period of 20 years; the IHS would in turn provide staff, equipment and supplies for the operations and maintenance of the facilities. The joint venture program is a competitive program and funding is limited. According to the IHS's budget justification for fiscal year 2013, the IHS signed 16 agreements for joint ventures between 2001 and 2011, but received 55 "positive responses" to a solicitation for joint ventures during the fiscal years 2010-2012 cycle. Yet, the IHS has indicated it does not have adequate resources to fund even those programs ranked highest on its list of joint venture projects, such as APIA's Unalaska Hospital. Tribes in Alaska support the IHS joint venture program as one of the best solutions to immediately address critical healthcare needs in our communities. We ask that the subcommittees appropriate additional funds for staffing and operations of new facilities; doing so will allow IHS to partner with Tribes like APIA whom are anxious to move forward their projects under this successful Joint Venture model in fiscal year 2014.

#### APIA SEEKS AN END TO CHRONIC UNDERFUNDING OF VILLAGE BUILT CLINICS AND CSC

*Village Built Clinic Leases.*—As we stated in our 2012 testimony, the inability of the IHS to adequately fund the Village Built Clinics leases causes a significant, adverse impact on APIA's ability to ensure delivery of safe, quality healthcare services at our three Community Health Aide Program-staffed clinics and two mid-level provider-staffed health centers. For the 2014 appropriations, we support the Alaska Tribes' request that an additional \$8.2 million be appropriated within the Hospitals and Clinics budget line to help fully fund all Alaska VBC leases in fiscal year 2014.

It would be helpful if Congress would also direct the IHS to use its fiscal year 2014 appropriations to fully fund VBC leases in accordance with section 804 of the Indian Health Care Improvement Act.

*IHS Contract Support Costs Shortfall.*—APIA thanks Congress for appropriating additional funding for Contract Support Costs necessary to administer tribal health programs authorized under the ISDEAA. Even so, there remains an ongoing shortfall of CSC, which continues to impose significant hardships on our ability to provide adequate health services to our patients when direct program funds have to be diverted to pay overhead costs. We urge the subcommittees to continue to push for full funding of CSC. While it is difficult to estimate the full CSC need for fiscal year 2014—in part because IHS refuses to release its CSC distribution data for the last 2 years—we estimate that the total need in fiscal year 2014 for Compacting and Contracting Tribes to be at least \$617 million.

Given the progress toward full CSC funding in recent years, we are dismayed the administration's fiscal year 2014 budget proposed only a minimal increase for IHS CSC to \$477 million. This would force Tribes to absorb almost \$140 million in uncompensated costs for allowable and reasonable administration costs associated with managing Federal programs. The administration's proposed appropriations act language, whether intentional or not, attempts to preclude tribes from their right to recover any of their CSC shortfalls through contract actions, as ruled by the Supreme Court in the *Salazar v. Ramah Navajo* decision. The bill language would incorporate by reference a table identifying the capped amount as determined by the agency of CSC available to be paid for every compactor or contractor. This process is being proposed without tribal consultation and is unworkable, therefore we urge that the subcommittees reject this proposed approach and, instead, fully fund CSC for both IHS and BIA.

*Sequestration.*—APIA is appalled that the American Indian and Alaska Native patients were subject to a loss of basic healthcare as a result of the fiscal year 2013 budget sequestration. IHS lost \$195 million which directly impacted our patients' access to care. Specifically for APIA, we will not be filling provider vacancies including one dentist and one dental health aide and have placed on hold several clinical support positions. We have seen an increase in our patient requests for medical travel assistance and are unable to assist our patients with their access to care issues. In addition, our referral hospital, the Alaska Native Medical Center, has indicated that sequester will impact their ability to pay for medical care, further exacerbating our patients' ability to receive basic healthcare. This means cancer screens will not get done; necessary care will be deferred until it becomes an acute emergency, and funds for early screening or early treatment which could save lives will now be spent down the road on high cost acute or chronic care services. Our ability to sustain safe facilities will be compromised as we are forced to defer necessary maintenance and improvement of health facilities. We are already struggling to provide adequate care to our patients; the reasonable approach would be to exempt direct patient care from across-the-board cuts. Therefore we strongly believe that the IHS budgets should be exempt from both sequestrations and rescissions and that the cuts suffered this year should be restored in the fiscal year 2014 budget. The United States has a trust responsibility for the health of Alaska Native and American Indian people. We fail to understand why this responsibility was taken less seriously than the Nation's promises to provide health to other citizens. Medicaid State grants and Medicare, other than a 2 percent administration cost, and Veterans Health Administration (VA) programs were made exempt from the sequester. See section 255 of the Balanced Budget and Emergency Deficit Control Act (BBEDCA), as amended by Public Law 111-139 (2010). We thus strongly urge the subcommittee to support an amendment to the Budget Control Act to fully exempt the IHS from any future sequestration, just as these other programs which also provide direct care are exempt.

Thank you for your consideration of our request to support funding the reconstruction of the Unalaska Hospital and Atka Island Clinic with associated staffing and operating costs. We are very confident that these reconstructed facilities will right a huge wrong in our history and will significantly improve healthcare for the Aleutian and Pribilof tribal communities. We also appreciate the subcommittees' consideration of other requests outlined in this testimony. On behalf of the Aleutian Pribilof Islands Association and the people we serve, I am happy to help provide any additional information desired by the subcommittees.

PREPARED STATEMENT OF THE ASSOCIATION OF PUBLIC AND LAND-GRANT  
UNIVERSITIES

On behalf of the APLU Board on Natural Resources (BNR), we thank you for your support of science and research programs within the United States Geological Survey (USGS). We appreciate the opportunity to provide recommendations for the following programs within USGS: \$6.5 million for the Water Resources Research Institutes and \$18.566 million for the Cooperative Fish and Wildlife Research Units.

*APLU BNR requests at least \$6.5 million for the Water Resources Research Institutes (WRRRI).*—The APLU BNR request is based on the following: \$5,500,000 in base grants for the WRRRI as authorized by section 104(b) of the Water Resources Research Act, including State-based competitive grants; and \$1 million to support activities authorized by section 104(g) of the act, and a national competitive grants program. Federal funding for the WRRRI program is the catalyst that moves States and cities to invest in university-based research to address their own water management issues. State WRRRI take the relatively modest amount of Federal funding appropriated, match it 2:1 with State, local and other funds and use it to put university scientists to work finding solutions to the most pressing local and State water problems that are of national importance. The Institutes have raised more than \$15 in other funds for every dollar funded through this program. The added benefit is that often research to address State and local problems helps solve problems that are of regional and national importance. Many of the projects funded through this program provide the knowledge for State or local managers to implement new Federal laws and regulations. Perhaps most important, the Federal funding provides the driving force of collaboration in water research and education among local, State, Federal and university water professionals. This program is essential to solving State, regional and inter-jurisdictional water resources problems. For example, the Idaho Institute conducted work in 2011 for the City of Boise and the National Renewable Energy Laboratory to determine whether the Boise Front geothermal aquifer was adequate for supplying current and increased withdrawals. Similarly, Institutes in Louisiana, California and North Carolina have made major contributions in emergency planning and hurricane recovery, protecting groundwater aquifers from sea water intrusion and reducing water treatment costs.

The institutes also train the next generation of water resource managers and scientists. Last year, these institutes provided research support for more than 1,400 undergraduate and graduate students at more than 150 universities studying water-related issues in the fields of agriculture, biology, chemistry, earth sciences, engineering and public policy. Institute-sponsored students receive training in both the classroom and the field, often working should-to-shoulder with the top research scientists in their field on vanguard projects of significant regional importance.

In addition to training students directly, Water Resources Research Institutes work with local residents to overcome water-related issues. For example, the California Institute for Water Resources, like most of its peers, holds field days, demonstrations, workshops, classes, webinars, and offers other means of education in an effort to transfer their research information to as many users as possible. Outreach that succeeds in changing a farmer's approach to nitrogen application or reducing a homeowner's misuse of lawn treatments can reduce the need for restrictive regulation.

*APLU BNR requests at least \$18.6 million for the Cooperative Fish and Wildlife Research Units (CRU).*—This program serves to (1) train the next generation of Fish and Wildlife managers; (2) conduct research designed to meet the needs of unit co-operators; and (3) provide technical assistance to State and Federal personnel and other natural resource managers. Originally established to provide training for students in fish and wildlife biology, the units were formally recognized by the Cooperative Units Act of 1960 (Public Law 86-686). The CRU provide experience and training for approximately 600 graduate students per year, a critical need as State and Federal workforces face unprecedented retirements over the next 5 to 10 years. The CRU also provides valuable mission-oriented research for their biggest clients, the U.S. Fish and Wildlife Service and cooperating State agencies. Today, there are 40 Cooperative Research Units in 38 States.

Each unit is a true Federal-State-university collaboration in that it is a partnership between USGS, a State natural resource agency, a host university, and the Wildlife Management Institute. For every \$1 the Federal Government puts into the program, \$3 more are leveraged through the other partners. The U.S. economy has long relied on the bountiful natural resources bestowed upon this land. Federal investment in the CRU will be returned many times over through the training of future natural resource managers who will guide the Nation in sustainable use of our natural resources. The research conducted by CRU scientists directly supports the

difficult management challenges faced by natural resources managers. The examples below demonstrate the value of the CRUs to wildlife issues with local and national importance.

- The Minnesota Cooperative Fish & Wildlife Research Unit currently has 3 Federal employees, 3 post-doctoral research fellows and a total of 12 graduate students. Current research funded by the Minnesota Department of Natural Resources and Federal agencies totals \$4.9 million. Among the numerous projects being conducted by unit personnel, a project determining the olfactory sensitivity of Asian carp to putative hormonal sex pheromones has recently received national attention. The Asian carp is an invasive species that threatens many of the Nation's freshwater native fish because they are more competitive than native fish for food. The Minnesota CRU hopes to use the sex pheromones to attract and trap Asian carp, removing them permanently from the Nation's freshwater lakes and rivers.
- The Idaho Cooperative Fish and Wildlife Research Unit has 3 Federal scientists who are training 22 graduate students and supervise 8 year-round staff plus 15 seasonal staff and 5 work-study students. Total grants and contracts for these three scientists exceed \$1.5 million and include projects related to gray wolf monitoring and population estimation, improving fish passage at lower Columbia River dams, and defining "recovery" for endangered species.

#### ABOUT APLU AND THE BOARD ON NATURAL RESOURCES

APLU's membership consists of 221 State universities, land-grant universities, State-university systems and related organizations. The Board's mission is to promote university-based programs dealing with natural resources, wildlife, ecology, energy, and the environment. BNR representatives are chosen by their president's office to serve and currently number over 500 scientists and educators, who are some of the Nation's leading research and educational expertise in environmental and natural-resource disciplines. APLU institutions enroll more than 3.5 million undergraduate students and 1.1 million graduate students, employ more than 645,000 faculty members, and conduct nearly two-thirds of all federally funded academic research, totaling more than \$34 billion annually.

#### PREPARED STATEMENT OF THE ASSOCIATION OF STATE DRINKING WATER ADMINISTRATORS

##### WHO WE ARE

The Association of State Drinking Water Administrators (ASDWA) represents the State drinking water programs in the 50 States, territories, District of Columbia, and the Navajo Nation in their efforts to provide safe drinking water to more than 275 million consumers nationwide.

##### SUMMARY OF REQUEST

ASDWA respectfully requests that, for fiscal year 2014, the subcommittee appropriate funding for three State drinking water programs at levels commensurate with Federal expectations for performance; that ensure appropriate public health protection; and that will result in enhancing economic stability and prosperity in American cities and towns. ASDWA requests \$200 million for the Public Water System Supervision (PWSS) program; \$1.387 billion for the Drinking Water State Revolving Loan Fund (DWSRF) program; and \$10 million for State drinking water program security initiatives. A more complete explanation of the needs represented by these requested amounts and their justification follows.

##### HOW STATES USE FEDERAL FUNDS

*Public Health Protection.*—States need increased Federal support to maintain overall public health protection and to support the needs of the water systems they oversee. State drinking water programs strive to meet public health protection goals through two principal funding programs: the Public Water System Supervision Program (PWSS) and the Drinking Water State Revolving Loan Fund (DWSRF) Program. These two programs, with their attendant State match requirements, provide the means for States to work with drinking water utilities to ensure that American citizens can turn on their taps with confidence that the water is both safe to drink and the supply is adequate. In recent years, State drinking water programs have accepted additional responsibilities in the area of water system security that include working with all public water systems to ensure that critical drinking water infra-



structure is protected; that plans are in place to respond to both natural and man-made disasters; and that communities are better positioned to support both physical and economic resilience in times of crisis.

Vibrant and sustainable communities, their citizens, workforce, and businesses all depend on a safe, reliable, and adequate supply of drinking water. Economies only grow and sustain themselves when they have reliable water supplies. More than 90 percent of the population receives water used for bathing, cooking, and drinking from a public water system—overseen by State drinking water personnel. Fire-fighting also relies on potable water from public water systems to ensure public safety. Even people who have their own private wells will visit other homes, businesses and institutions served by a public water system. As important as public water systems are to the quality of water we drink and our health, the majority of water produced by public water systems is used by businesses for a variety of purposes, including processing, cooling, and product manufacturing. The availability of adequate supplies of water is often a critical factor in attracting new industries to communities. Public water systems—and the cities, villages, schools, and businesses they support—rely on State drinking water programs to ensure they are in compliance with all applicable Federal requirements and the water is safe to drink. Several incidents in the United States over the past several years that have led to illnesses or deaths from unsafe drinking water serve as stark reminders of the critical nature of the work that State drinking water programs do every day and the dangers of inadequately funded programs.

*The PWSS Program.*—To meet the requirements of the Safe Drinking Water Act (SDWA), States have accepted primary enforcement responsibility for oversight of regulatory compliance and technical assistance efforts for more than 155,000 public water systems to ensure potential health-based violations do not occur or are remedied in a timely manner. More than 90 contaminants are regulated in Federal drinking water regulations and the pace of regulatory activity has accelerated in recent years. Beyond the more than 90 contaminants covered by Federal drinking water regulations, States are also implementing an array of proactive initiatives to protect public health from “the source to the tap.” These include source water assessments and protections for communities and watersheds; technical assistance with water treatment and distribution for challenged utilities; and enhancement of overall water system performance capabilities. In recent years, States have also taken on an increasingly prominent role in working with Federal and local partners to help ensure sufficient water quantity. In short, State activities go well beyond simply ensuring compliance at the tap—and, they perform all of these tasks more efficiently and cheaply than would be the case if the program were federally implemented. In short, well supported State programs are a “good deal” for America.

*The DWSRF Program.*—Drinking water in the United States is among the safest and most reliable in the world, but it is threatened by aging infrastructure. Through loans provided by the DWSRF, States help water utilities overcome this threat. The historical payback to the DWSRF on this investment has been exceptional. In the core DWSRF program, \$12.4 billion in cumulative capitalization grants and \$2 billion in American Reinvestment and Recovery Act (ARRA) funds since 1997 have been leveraged by States into nearly \$22 billion in infrastructure loans to small and large communities across the country. Such investments pay tremendous dividends—both in supporting our economy and in protecting our citizens’ health. Some State drinking water programs have also used DWSRF funds to support the technical assistance and training needs of numerous small drinking water systems and to help these water systems obtain the technical, managerial, and financial proficiency needed to meet the requirements of the SDWA.

*State Drinking Water Security Responsibilities.*—State drinking water programs are critical partners in emergency planning, response, and resiliency at all levels of Government. State primacy agencies provide key resources and critical support—regardless of whether the emergency is rooted in terrorism, natural disasters, or cyber intrusions. States continually work toward integrating security considerations throughout all aspects of their drinking water programs.

#### WHY INCREASED FUNDING IS URGENTLY NEEDED

*State Drinking Water Programs are Hard Pressed and the Funding Gap Continues to Grow.*—States must accomplish all of the above-described activities—and take on new responsibilities—in the context of the continuing economic downturn. This has meant operating with less State-provided financial support—which has historically compensated for inadequate Federal funding. State drinking water programs have often been expected to do more with less and States have always responded with commitment and ingenuity. However, State drinking water programs are stretched

to the breaking point. Insufficient Federal support for this critical program increases the likelihood of a contamination event that puts the public's health at risk. Although the 1996 SDWA Amendments authorized the PWSS Program at \$100 million per year, appropriated amounts have only recently reached that authorized level—a level that now, more than 16 years from the date of those amendments, falls far short of the amount needed. \$100.5 million was appropriated for the PWSS program in fiscal year 2013 (but may be further reduced once the details of the fiscal year 2013 continuing resolution, with sequestered amounts, are known) and the administration requested only \$109.7 million in fiscal year 2014. These amounts are woefully inadequate for the enormity of the task faced by State drinking water programs. We believe, based on our assessments of every State's need, that at least twice that amount is needed. Inadequate Federal funding for State drinking water programs has a number of negative consequences. Many States are simply unable to implement major provisions of the newer regulations, leaving the work undone or ceding the responsibility back to EPA, which is also challenged by the Agency's own resource constraints and lack of "on the ground" expertise. This situation has created a significant implementation crisis in several regions of the country and is ultimately delaying implementation of critically needed public health protections.

*State's Drinking Water Infrastructure Investment is Well below Documented Need.*—In 2013, the Association of Civil Engineers gives the Nation's water infrastructure a D grade and EPA's most recent National Drinking Water Infrastructure Needs Survey (2007) indicated that drinking water system infrastructure needs total \$334.8 billion over the next 20 years. The American Water Works Association recently estimated that 20-year need at \$1 trillion. Investment is needed for aging treatment plants, storage tanks, and the pumps that move water through a water system. The great majority of infrastructure investment, however, is for the pipes that carry water to our Nation's homes, businesses and schools. Many States are heavily focused on efforts to sustainably fund water infrastructure which includes looking at increased, but still affordable, rates as well as reducing demand through asset management and other techniques used in the private sector. States are also looking at State level funding sources to augment Federal assistance. The DWSRF must continue to be a key part of the solution to the Nation's infrastructure crisis.

#### FISCAL YEAR 2014 REQUEST LEVELS AND SDWA PROGRAM OBLIGATIONS

*The PWSS Program.*—The number of regulations requiring State implementation and oversight as well as performance expectations continue to grow while at the same time, the Federal funding support necessary to maintain compliance levels and meet expectations has been essentially "flat-lined" or included only meager increases. Inflation has further eroded these inadequate funding levels. States want to offer the flexibilities allowed under existing rules/requirements to local water systems; however, fewer State resources mean less opportunity to work one-on-one with water systems to meet their individual needs.

ASDWA respectfully requests that the fiscal year 2014 funding for the PWSS program be appropriated at \$200 million. This figure begins to fill the above-described resource gap and is based on the expense of implementing new drinking water rules, taking on a number of other new initiatives, and accounting for the eroding effects of inflation. We further recommend that Congress not allow any Federal funds already appropriated to State drinking water programs to be rescinded.

*The DWSRF Program.*—States were very encouraged by the \$1.387 billion appropriated for the DWSRF in fiscal year 2010 but are disappointed at the subsequent downward trend—\$963 million in fiscal year 2011, \$919 million in fiscal year 2012, \$853.77 million for fiscal year 2013 (a figure not seen since 2006), and \$817 million requested by the administration for fiscal year 2014. The primary purpose of the DWSRF is to improve public health protection by facilitating water system compliance with national primary drinking water regulations through the provision of loans to improve drinking water infrastructure. Water infrastructure is needed for public health protection as well as a sustainable economy, as explained above. States have very effectively and efficiently leveraged Federal dollars with State contributions to provide assistance to more than 8,500 projects, improving health protection for millions of Americans. According to recent figures, this equals a 177.4 percent return on the Federal investment. Approximately 72 percent of projects and 38 percent of assistance have been provided to small communities (serving fewer than 10,000 people). In light of these indicators of success and documented needs, we believe funding at the \$1.387 billion level will better enable the DWSRF to meet the SDWA compliance and public health protection goals for which it was designed.

ASDWA respectfully requests \$1.387 billion in fiscal year 2014 funding for the DWSRF program.

*Security Responsibilities.*—After 7 years of supporting State security programs through a small grant of approximately \$5 million in EPA’s appropriation (fiscal year 2002 through fiscal year 2008), no funds have been provided for this purpose since fiscal year 2009 and none are requested for fiscal year 2014. State drinking water programs need funds to continue to maintain and expand their security activities, particularly for small and medium water systems and to support utility-based mutual aid networks for all drinking water systems. It is very difficult to understand why this grant has been zeroed out of EPA’s proposed budget. Given the realities and the lessons learned from Hurricane Sandy and other storms as well as chronic drought throughout many parts of the Nation, State drinking water programs are working more closely than ever with their water utilities to evaluate, assist, and support drinking water systems’ preparedness, response, and resiliency capabilities. States continue to expand their efforts to reflect a more resilient “all hazards” approach to water security and to focus their efforts toward smaller water systems.

ASDWA respectfully requests \$10 million in fiscal year 2014 funding for the State security initiatives. These funds would be commensurate with the security tasks State drinking water programs must take on.

#### CONCLUSION

ASDWA respectfully recommends that the Federal fiscal year 2014 budget needs for States’ role in the provision of safe drinking water be adequately funded by Congress. A strong State drinking water program supported by the Federal-State partnership will ensure that the quality of drinking water in this country will not deteriorate and, in fact, will continue to improve—so that the public can be assured that a glass of water is safe to drink no matter where they travel or live. States are willing and committed partners. However, additional Federal financial assistance is needed to meet ongoing and ever growing regulatory, infrastructure, and security needs. In 1996, Congress provided the authority to ensure that the burden would not go unsupported. For fiscal year 2014, ASDWA asks that the promise of that support be realized.

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#### PREPARED STATEMENT OF THE AMERICAN SOCIETY FOR MICROBIOLOGY

The American Society for Microbiology (ASM) is pleased to submit the following testimony on the fiscal year 2014 appropriation for science and technology (S&T) programs at the Environmental Protection Agency (EPA). The ASM is the largest single life science organization in the world with more than 37,000 members.

The EPA funds and sustains a broad portfolio of research and development (R&D) activities that provide tools and knowledge crucial to decisions on preventing, regulating and reducing environmental pollution. Adequate funding for the EPA’s science and technology programs is needed to ensure the science based capabilities of EPA oversight to protect human health and the environment.

The Office of Research and Development (ORD) oversees EPA’s scientific research, managing 14 facilities across the United States including three national laboratories and four national research centers. Over the past decade, the budget for ORD has declined by nearly 30 percent in terms of purchasing power. EPA appropriations allocate a modest fraction to the agency’s science and technology programs, roughly 10 percent in fiscal year 2013. These funds must support intramural and extramural R&D efforts, personnel costs, laboratory purchases and other operating expenses.

EPA actions require frequent testing, updated methodologies, data management and a thorough understanding of current scientific knowledge. EPA’s science based actions include analyzing environmental samples, quickly responding to emergencies, enforcing Federal regulations, providing technical support to non-EPA labs across the United States and monitoring pollutants and environmental quality. EPA research contributes new knowledge to the growing field of regulatory science and external evaluations of EPA science in recent years have cautioned that EPA’s science based capabilities should be strengthened to lend greater credibility to its regulatory actions.

#### ENVIRONMENTAL PROTECTION AGENCY FUNDING SAFEGUARDS COMMUNITIES THROUGH SCIENCE AND TECHNOLOGY

The EPA contributes to protecting the Nation’s food supply, water systems and overall environmental health by publishing guidances for industry, public works departments and other stakeholders. In the case of safe drinking water, a basic human

need, EPA has regulatory standards for 91 contaminants and is required to identify up to 30 additional contaminants of concern to periodically monitor and evaluate their significance as health risks.

EPA guidelines, like EPA enforcement actions, must be grounded in solid science using the best available information and risk assessment methods. In 2012, EPA updated its regulations on microbial pathogens in drinking water, impacting approximately 155,000 public water systems in the United States that serve more than 310 million people. The Revised Total Coliform Rule strengthens requirements for public drinking water systems relative to acceptable levels for *Escherichia coli* and other standard indicators of possible contamination. In November, the EPA additionally recommended new recreational water quality criteria. Though not imposing new rules, the criteria provide States and local governments with the latest information from recent health and science studies to better help users evaluate their own waters. Included in the EPA recommendation is a new rapid testing method to more quickly detect possible contamination, plus an early alert protocol for public swimming advisories.

Other examples from the past year include the first ever comprehensive Microbial Risk Assessment (MRA) Guideline, developed jointly with the U.S. Department of Agriculture, which provides specific guidance on optimal assessments of microbial risk in food and water. In 2012, EPA scientists at the National Exposure Research Laboratory published results of their ongoing study of *Legionella* bacteria contamination in engineered water systems and improved detection methods, delineating the interacting factors that can lead to disease outbreaks.

In addition, EPA directs significant funding each year directly to State and local governments. This funding both improves surrounding environments, but also stimulates local economies. Last June, EPA's Urban Waters program awarded grants to 46 organizations in 32 States and Puerto Rico to improve urban waters. In September, the agency's Great Lakes Restoration Initiative (GLRI) distributed 11 grants to projects in Michigan and Ohio to improve water quality and reduce excess nutrients that can trigger harmful algal blooms in Great Lakes watersheds. Preventive practices that will be subsidized with GLRI funds include replacing failing septic systems, planting cover crops, improving farm practices and restoring wetlands. First proposed in 2009, GLRI is the most significant investment in improving the Great Lakes ecosystem in more than 20 years.

#### ENVIRONMENTAL PROTECTION AGENCY FUNDING SUPPORTS REGULATORY SCIENCE AND WORKFORCE DEVELOPMENT

In response to the 2011 National Academy of Sciences report on integrating sustainability into EPA decisionmaking, the Office of Research and Development (ORD) adopted four integrated trans disciplinary research action plans covering agency responsibilities: (1) air, climate and energy; (2) safe and sustainable water; (3) chemical safety and sustainability; and (4) safe and healthy communities. Within these action plans are systems approaches to environmental issues and life-cycle assessments in research programs. Adequate Federal funding levels are essential to ensure the EPA can respond quickly to outside recommendations, as the agency commits itself to utilizing the best regulatory science available.

The Science to Achieve Results (STAR) program distributes extramural funding to a range of institutions, supporting research affecting human health, ecology, engineering, economics and other fields. Current STAR grant recipients include eight universities in a joint effort toward new rapid testing methods to assess chemicals toxicity to people and the environment. In September, three universities joined another STAR multi institution initiative to develop cost effective, sustainable drinking water treatment methods. Each evaluated contaminant removal by ion exchange processes, reticulated vitreous carbon electrodes or membrane distillation.

EPA contracts awarded to industry encourage innovation in regulatory science. As part of EPA's ToxCast program, a new 5-year agreement with a California company will screen chemicals for toxicity with its proprietary lab method using human cell cultures. The company will analyze up to 60,000 samples to determine potential toxicity to humans, and added them to the EPA's catalog of substances and their predicted toxicity. EPA also supports extramural science and technology research through its Small Business Innovation Research (SBIR) program, which helps companies with fewer than 500 employees commercialize relevant technologies. Last year, the EPA selected 25 U.S. companies to participate in Phase I of its annual SBIR awards, including a North Dakota firm studying solar powered aeration technology that removes unwanted chemical byproducts of disinfection used to control microbes in drinking water.

The fiscal year 2013 and 2014 budget shortfalls could threaten the EPA's important tradition of nurturing the next generation of environmental scientists and engineers. In 2012, EPA awarded \$675,000 through 45 grants to university student teams as part of the agency's annual People, Prosperity and the Planet (P3) competition to design and develop sustainable technologies. Among the grant winners are research and development teams focused on solar disinfection technology to pasteurize water in developing countries, magnesium oxide aerogels to capture carbon dioxide at power and chemical plants and 3-D printing technology applied to sustainable building component design.

Nearly 130 university students nationwide received about \$5.3 million this academic year through Greater Research Opportunities (GRO) undergraduate fellowships or STAR fellowships to masters and doctoral students. Currently funded student research includes the impacts of water temperature increases on cyanobacterial blooms and the effects of a permeable reactive barrier on denitrifying bacteria in Cape Cod bay waters. The agency regularly distributes grants to K-12 school districts to build STEM capacity, like last year's grant to a New Mexico schoolyard program to teach youth about environments of the Chihuahuan Desert, or the President's Environmental Youth Award for a high school project in Idaho restoring water quality in the Boise River. EPA also sponsored a "water boot camp" last summer in Missouri to train high school and college students interested in water quality careers.

In May 2012, EPA joined the Department of Commerce in launching an innovation initiative to create American jobs in the environmental industry, as well as promote American environmental technology, products and services in the global marketplace. The joint effort's new Environmental Technologies Export Initiative builds on the administration's National Export Initiative, which aims to double United States exports by the end of 2014 and support millions of U.S. jobs. EPA is also partnering with trade associations, increasing access for U.S. companies to EPA's S&T and regulatory information. EPA estimates that the U.S. environmental industry generates about \$312 billion in revenues each year, employing nearly 1.7 million people and sustaining more than 60,000 small businesses. The United States is a world leader in environmental protection, and EPA has stated its commitment to accelerating Science and Technology research and development, to stimulate both economic growth and environmental protection.

The ASM recommends that Congress restore sequestration cuts for research budgets and fund EPA research programs at the highest possible level in fiscal year 2014.

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PREPARED STATEMENT OF THE AMERICAN SOCIETY FOR THE PREVENTION OF CRUELTY  
TO ANIMALS

On behalf of our 2.5 million supporters, the American Society for the Prevention of Cruelty to Animals (ASPCA) appreciates this opportunity to submit testimony to the Senate Appropriations Subcommittee on Interior, Environment and Related Agencies. Founded in 1866, the ASPCA is the first humane organization established in the Americas and serves as the Nation's leading voice for animal welfare. The ASPCA's mission is to provide effective means for the prevention of cruelty to animals throughout the United States, and for that reason we request the subcommittee consider the following concerns regarding the Bureau of Land Management's Wild Horse and Burro Program when making fiscal year 2014 appropriations.

WILD HORSES

In the 40 years since the Bureau of Land Management (BLM) was first charged with protecting our country's wild horses and burros, Americans have witnessed BLM's Wild Horse and Burro Program deteriorate into a continuous cycle of round-ups and removals with little regard to the preservation-focused mandate dictated by the Wild Free-Roaming Horses and Burros Act (the act). Our wild horses and burros are to be revered as historical icons, treated humanely, and managed fairly and respectfully on our public lands. We appreciate BLM's recognition that there is a great need for reform in the Wild Horse and Burro Program. We applaud its effort to incorporate the use of on-the-range management methods such as immunocontraception and to find alternatives to long-term holding of wild horses. However, further and significant reformations must be swiftly incorporated.

PROHIBIT BLM FUNDING FOR EUTHANASIA OR SALE OF WILD HORSES AS MANAGEMENT METHODS

In December 2004, Congress passed the Consolidated Appropriations Act for Fiscal Year 2005 which contained a provision that amended the Wild Free-Roaming Horses and Burros Act to allow for the sale of certain groups of wild horses and burros. This instant transfer of title from the U.S. Government to the individual purchaser revokes the animal's status as a protected equine and makes mustangs vulnerable to the still-thriving horse slaughter industry. Additionally, in 2008 BLM publicly announced that it was considering using its statutory authority to destroy old, sick, or unadoptable wild horses and burros for the first time by implementing mass euthanasia as a population control method. The roar of public opposition that followed forced BLM to quickly withdraw the proposal. However, both the sale provision and the language allowing for the destruction of wild horses and burros remain in the law.

Last September, published reports revealed that since 2009, the BLM has sold more than 1,700 captured mustangs—70 percent of the animals sold during the program—to a single Colorado livestock hauler who has been a longtime kill buyer for the horse slaughter industry.<sup>1</sup> Although the BLM has implemented interim measures to prevent such a large number of horses being sold to one individual, Congress must send a clear message that the slaughter of our Nation's wild horses and burros is a gross violation of the Wild Free-Roaming Horses and Burros Act. Congress's opposition to the slaughter of our Nation's wild horses and burros has been repeatedly stated in past appropriations acts, and again in the Consolidated Appropriations Act for 2012, the current funding vehicle for the Department of the Interior. The President's fiscal year 2014 budget request includes an administrative provision to bar appropriations for the euthanasia of healthy horses and the sale to slaughter. The ASPCA requests that the subcommittee retain the language in the President's request by adopting the following language: "Appropriations herein made shall not be available for the destruction of healthy, unadopted, wild horses and burros in the care of the Bureau or its contractors or for the sale of wild horses and burros that results in their destruction for processing into commercial products."

ENSURE THAT REMOVALS DO NOT EXCEED ADOPTION DEMAND

The majority of BLM's budget is spent caring for wild horses in long-term holding facilities. The budget requested for BLM's Wild Horse and Burro Program has necessarily increased each fiscal year, as has the portion of the budget that funds the care of wild horses in long-term holding facilities. Unfortunately, instead of letting these wild horses remain in their natural habitats as part of their established herds, their family structures have been disrupted and they have been removed to fenced facilities where taxpayer dollars go for their care. There are now as many or more wild horses in holding facilities as in the wild. Without substantial change in management techniques, the number in holding facilities will only increase and taxpayer dollars will be further wasted in ever increasing amounts. The ASPCA believes wild horses belong in their natural habitats and should not be subject to the terror of removals nor the confines of holding facilities without hope of return to the range or adoption.

Adoption rates have varied between 3,000 and 4,000 horses since 2008. During the same time period, BLM has rounded up and removed approximately 7,800 horses annually—several thousand above the adoption demand—thereby guaranteeing most of those wild animals will be kept in taxpayer-funded holding facilities for the remainder of their lives. Warehousing horses in holding facilities does nothing to manage the on-range populations and only delays the inevitable need for more preventative management. This cycle must be broken. The ASPCA encourages BLM to limit the number of horses removed from the range to the number matching current adoption demand.

PRIORITIZE ON-THE-RANGE MANAGEMENT OVER ROUNDUP AND REMOVAL

The Wild Free-Roaming Horses and Burros Act makes clear that on-the-range management should be preferred over roundup and removal as the primary method of wild horse management. There are multiple ways BLM can reform its program to favor on-the-range management methods.

The ASPCA realizes that there are situations where population control is necessary, and we appreciate BLM's public recognition that fertility control methods

<sup>1</sup>"All the Missing Horses: What Happened to the Wild Horses Tom Davis Bought From the Gov't?" ProPublica: September 28, 2012.

must be a significant part of wild horse population management. Porcine Zona Pellucida (PZP), the contraceptive vaccine that has been used in managing horse and deer populations for decades, was recently registered by EPA and is now commercially available. In the past, BLM has capped its goal for vaccinating horses at 2,000 horses per year. For PZP to become a serious part of the solution, its use must be increased to levels that will significantly impact population growth. The ASPCA recommends that the subcommittee encourage BLM to prioritize the use of humane, reversible fertility control when it is necessary to stem the population growth of wild horse or burro herds.

In addition to escalating its use of immunocontraception, BLM must also reconsider Herd Management Areas (HMAs) that have been zeroed out as wild horse and burro habitat and make them available for reintroduction. More than 20 million acres of HMAs originally designated as wild horse and burro habitat have been zeroed out and horses have been removed and placed in holding facilities. This 40-year pattern has resulted in American taxpayers paying more each year for the cost of privatized care when millions of acres of habitat are available. The ASPCA recommends that the subcommittee direct BLM to reestablish zeroed out HMAs as viable wild horse and burro habitat wherever possible.

#### REQUIRE HUMANE AND TRANSPARENT ROUNDUP OPERATIONS

Finally, the ASPCA requests that, when roundups are necessary, the subcommittee charge BLM with establishing humane and transparent standards and procedures for those operations. Observers have witnessed horses suffering and dying due to brutal roundup practices. Foals have been run over such extreme distances that they literally have lost their hooves, and mares have been driven to the point of physical exhaustion. BLM recognizes a need to reform its roundup protocol. The ASPCA applauds this acknowledgement and asks that the subcommittee encourage BLM to expedite its development of Standard Operating Procedures for roundups that incorporate animal welfare standards. No roundups for removal or any other purposes should occur without procedures in place that will ensure these incidents are never repeated. For the public to continue to invest in this management program and to allow this agency to have any authority over these animals, it is vital that no horse or burro is harmed at the hands of BLM agents or contractors. We also urge the subcommittee to designate funds for researching and developing protocols that take into consideration the impact of separating family groups of wild horses during removals. To allow for more visibility of roundup operations, and thus more accountability, we urge the subcommittee to designate funds for the installation of video cameras on helicopters and at trap and holding sites.

Thank you for this opportunity to submit testimony. We appreciate the steps BLM has already taken to reform the Wild Horse and Burro Program, and we look forward to working with the agency on this issue in the future. With the help of the subcommittee, the BLM Wild Horse and Burro Program can hopefully achieve sustainability and comply with the mission of the Wild Free-Roaming Horses and Burros Act: to protect and preserve these animals as historic American icons.

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#### PREPARED STATEMENT OF THE ASSINIBOINE AND SIOUX TRIBES OF THE FORT PECK RESERVATION

Chairman Reed, Ranking Member Murkowski, and members of the subcommittee, my name is Thomas "Stoney" Anketell and I am a member of the Executive Board of the Assiniboine and Sioux Tribes of the Fort Peck Reservation. On behalf of the Fort Peck Tribes and Chairman Floyd Azure, I am pleased to present testimony on the President's fiscal year 2014 budget. We are a large, land-based tribe located in northeastern Montana. The Fort Peck Reservation encompasses 2 million acres. Our Native American population is more than 8,000 and our tribal enrollment is more than 12,000 members. Many of our members continue to live in poverty.

I will focus my testimony on the following tribal priorities:

- Support the President's fiscal year 2014 budget request for the BIA Construction account which includes a \$2.3 million increase for operation and maintenance of the Assiniboine and Sioux Rural Water System (Other Program Construction);
- Support and increase fiscal year 2014 funding of \$1.865 billion for the Indian Health Service (IHS) services budget for essential health care to Native Americans;
- Support and increase funding of \$365 million for BIA Public Safety and Justice programs;

—Oppose the administration’s unilateral changes to Contract Support Cost (CSC) policies.

*Sequestration.*—Before I address these issues, I want to address the harmful effects that sequestration is having on our Reservation. If Congress does not find common ground, further reductions to Federal appropriations will occur in fiscal year 2014, and wipe out any funding increases Congress may include in the Interior, Environment, and Related Agencies appropriations bill. Already, we have begun to see reductions to our fiscal year 2013 funding, early retirements of BIA and IHS officials, and the consolidation of agency offices. The indiscriminate across-the-board cuts and resulting “streamlining” efforts by Federal agencies have harmful consequences to our members. Sequestration as a budget policy does not work. It is a terrible policy, especially for Indian Country.

The United States has a continuing trust responsibility to strengthen and empower tribal governments. Efforts to strengthen tribal governments and grow reservation economies are impeded when the budgets of the Federal agencies we interact with are cut, when essential personnel take early retirement and are not replaced, and when the United States asks tribal governments to subsidize Federal programs or refuses to honor our contracts and pay us our full amount of funding as required by law.

*Operation and Maintenance of the Assiniboine and Sioux Rural Water System.*—The High Plains have historically suffered from poor quality water supplies that have contributed to health problems for Indian tribes and surrounding communities. To correct this problem and to ensure an ample supply of municipal and industrial water, Congress passed the Fort Peck Reservation Rural Water System Act of 2000, Public Law 106–382. The act authorized the construction of a rural water system to serve the Fort Peck Reservation and off-reservation communities with water from the Missouri River.

Since 2000, the United States has invested more than \$130 million in construction of water intake, pump stations, and a now operational 30,000 square feet Water Treatment Plant, plus hundreds of miles of pipeline to serve the Fort Peck Reservation and off-reservation Dry Prairie communities. Under the statute, operation and maintenance of the Tribal rural water facilities is the obligation of the BIA to fully fund. Until the fiscal year 2014 budget, the BIA has lagged behind in requesting adequate operation and maintenance funding to cover the operation and maintenance costs for our rural water system. As Congress has appropriated more funding for construction of our system—appropriations for the Bureau of Reclamation—the BIA has not kept pace and funded our increased operating costs at 100 percent as mandated by the act.

This year, if the BIA awards us \$750,000 in fiscal year 2013 operation and maintenance funds, we still anticipate a \$182,000 budget shortfall before the end of the fiscal year. To date, we have received about \$175,000 in fiscal year 2013 operating funds from the BIA and the Office of Facilities Management and Construction (OFMC), and only in the last few weeks. With more than \$130 million in Federal appropriations invested in the project, we ask the subcommittee to support the President’s budget and fund the \$2.5 million we require to properly operate and maintain our rural water system. The President’s request for operations funding is less than 2 percent of the Federal investment.

BIA operations funding is critical if we are to interconnect the Assiniboine and Sioux Rural Water System this year with the Dry Prairie Rural Water System, as required under the statute. Furthermore, future Bureau of Reclamation construction funding is dependent upon our ability to safely operate and maintain the Water Treatment Plant, intake, pump stations and existing water lines that we have contracted to maintain under the ISDA. Our ability to safely deliver municipal and industrial water to the Fort Peck Reservation and to Dry Prairie is dependent on operating funds from the BIA Construction account.

*Indian Health Service.*—Like clean water, the programs and services of IHS are critical to the health and vitality of our members. The Fort Peck Tribes appreciates the subcommittee’s strong commitment to Indian health and supporting increases to the IHS budget in recent years. We support and urge the subcommittee to support the President’s request for additional funding for IHS Services (Hospitals and Health Clinics) (+\$54.6 million more than the fiscal year 2012 enacted amount) to address the urgent healthcare needs of Indian Country which continues to suffer higher rates of infant mortality, diabetes, heart disease and substance abuse than the general population.

We also encourage the subcommittee to support an increase in funding within the IHS Facilities account for Maintenance and Improvement (unchanged from fiscal year 2012 at \$53.7 million), Health Care Facilities Construction (unchanged from fiscal year 2012 at \$85 million), Equipment (unchanged at \$22.5 million) and Sani-



tation Facilities Construction (increased by \$7.7 million to \$207 million). With increases for staffing of health clinics and hospitals, the IHS Facilities budget must keep up to maintain and expand existing facilities and add additional equipment to serve tribal communities. As noted above, without adequate funding, IHS-supported health facilities will deteriorate more rapidly than they can be replaced.

*Fort Peck Dialysis Center.*—Our dialysis center is at full capacity at 41 patients and more than 100 pre-renal patients. We have more than 1,000 diabetics on the Fort Peck Reservation. Our dialysis machines are old and parts are very expensive. Unless we can expand or build a new dialysis center on the Reservation, we will have to turn away patients from this life-giving care. They will need to travel great distances to reach the nearest dialysis center in Billings, Montana, more than 300 miles away. We ask the subcommittee to support increased appropriations for equipment and facility expansion and to direct the IHS to provide the Rocky Mountain Region Indian tribes detailed information on the dialysis services to Indian patients in the Region.

*Purchased/Referred Care (formerly CHS).*—The need for Purchased/Referred Care continues to be of great concern to the Fort Peck Tribes in light of the fact that so many of our members require additional healthcare not provided by the IHS or Tribally operated programs. The Tribes fully support the President's proposal to increase funding for Purchased/Referred Care \$35 million more than the fiscal year 2012 enacted amount of \$843.5 million. With rising medical costs, we exhaust our \$5 million CHS allocation long before the fiscal year ends. In too many instances, tribal members are not referred by IHS officials to private healthcare treatment because the IHS restricts the use of such funds to life-threatening illnesses and injuries. Early detection and prevention can save lives. We urge the subcommittee to support an increase in fiscal year 2014 funding levels for Hospitals and Clinics and Purchased/Referred Care so that more preventive care and services can be provided to detect and treat illnesses before they are life threatening. This will lower health costs in Indian Country.

*Public Safety and Detention.*—As the Tribes noted last year, the need for increased funding for law enforcement and Tribal Courts remains a continuing priority for the Fort Peck Tribes. We greatly appreciate the increases Congress has provided for public safety programs and justice programs. Our detention facility will be completed in 2014 and the President's budget shows that staffing needs require 46 positions.

We ask the subcommittee to support an increase in funding for Tribal courts more than the \$1 million requested by the administration, which did not factor into the fiscal year 2014 budget the enactment of the Violence Against Women Act (VAWA). We recommend the subcommittee also support the \$5.5 million amount requested by the administration to hire additional law enforcement personnel. Our 2 million acre reservation requires additional personnel to respond to domestic violence and other crimes. If both the Law Enforcement and Tribal Courts line items are increased proportionally, Tribal courts would receive additional funding to properly handle the anticipated increased case load work as more law enforcement officers patrol the reservation and enforce tribal laws.

We also support fully funding the programs authorized under VAWA in fiscal year 2014. Funding should be increased in the Human Services line item to prevent domestic and child abuse, as well as the BIA's Public Safety account to permit Indian tribes to exercise the authority conferred under VAWA through stepped up law enforcement and social services work to identify at-risk Native American women and families.

The President's budget also includes an increase of \$13.4 million for staffing "recently constructed" detention centers. The Fort Peck Tribes, with a grant from the Justice Department, are constructing a new adult detention facility. Under the Tribal Law and Order Act, the BIA, IHS, Department of Justice and the Department of Health and Human Services' Substance Abuse and Mental Health Services Administration (SAMHSA) are required to work with Tribal governments to facilitate services to incarcerated tribal members and promote best practices. At the local level, however, there do not seem to be adequate resources for BIA and IHS officials to play as active a role in coordinating the substance abuse, mental health and family counseling, education and related services.

We further request that the subcommittee urge appropriators to support adequate operation and maintenance funding to the BIA or Office of Facilities, Environmental and Cultural Resources Management (OFECRM) within Indian Affairs, to ensure that tribally constructed facilities, including those partially financed with Justice Department grants, are properly maintained. In the Rocky Mountain Region, facilities that are not properly maintained will deteriorate at a rapid rate. With limited

infrastructure on the Fort Peck Reservation, it is important that existing and future facilities last in excess of their planned useful life.

*Contract Support Costs.*—The Fort Peck Tribes appreciate this subcommittee’s support to fund contract support costs. We strongly support full funding for contract support costs. The President’s proposed increases will not close the gap in our contract support cost needs.

We strongly oppose the administration’s proposal to alter the manner in which contract support costs are paid to Indian tribes beginning in fiscal year 2014. Under the Indian Self-Determination Act, the United States is required to pay the full amount of contract support costs Indian tribes require to properly administer ISDA contracts.

The United States Supreme Court has held that if the BIA or IHS fails to pay Indian tribes their full contract support cost amount, tribes may file a claim to recover the underpayment. The BIA and the IHS propose to cap each Indian tribe’s contract support cost payment for fiscal year 2014 by including a contract-by-contract table in the appropriations bill. The administration’s action would deny us the ability to bring such claims against the agencies that pay less than our full contract support cost amount.

The administration’s proposal was made without any consultation of tribal governments, contrary to the agencies’ respective Indian consultation policies and to the President’s own statements and memorandum concerning the importance of government-to-government consultation. We therefore ask the subcommittee to oppose the administration’s proposal. Congress must fully fund all contract support costs and direct the agencies to honor the ISDA and the terms of our contracts and agreements with them.

Thank you for providing the Fort Peck Tribes the opportunity to share our comments concerning the President’s proposed budget for fiscal year 2014.

PREPARED STATEMENT OF THE ANIMAL WELFARE INSTITUTE

On behalf of the Animal Welfare Institute, I want to thank Chairman Reed, Ranking Member Murkowski, and the distinguished members of the subcommittee for this opportunity to submit testimony regarding funding for the activities of the various agencies involved in White-Nose Syndrome research and management, as well as for other programs of the U.S. Fish and Wildlife Service, U.S. Geological Survey, U.S. Forest Service, Bureau of Land Management, and National Park Service.

WHITE-NOSE SYNDROME

	Amount
U.S. Fish and Wildlife Service (Science Support program increase) (President’s budget) .....	\$1,500,000
Purpose: Research to address and mitigate White-Nose Syndrome (WNS) in bats.	
U.S. Geological Survey (Ecosystems/Wildlife Program increase) (President’s budget) .....	1,505,000
Purpose: Research to combat WNS in bats.	
National Park Service (Park Operations/Resource Stewardship program increase) (President’s budget) .....	3,000,000
Purpose: Research, inventory, monitoring, management, and public education related to WNS; preserve important cave habitats and bat populations.	
U.S. Forest Service/Research and Development .....	750,000
Purpose: Research to combat WNS, allowing the agency to continue progress made pursuant to Congress’s fiscal year 2012 direction.	
U.S. Forest Service/Forest Systems .....	250,000
Purpose: Inventory, monitoring, and management related to WNS, allowing the agency to continue progress made pursuant to Congress’s fiscal year 2012 direction.	
Bureau of Land Management .....	500,000
Purpose: Inventory, monitoring, and management related to WNS, allowing the agency to continue progress made pursuant to Congress’s fiscal year 2012 direction.	

Capitalizing on the investments and progress already made, these funds would support the agencies’ programs addressing White-Nose Syndrome (WNS), a disease caused by the *Geomyces destructans* (Gd) fungus that is decimating U.S. bat populations. So far, nine species, including the endangered Indiana and gray bats, have been affected by WNS or the Gd fungus; 25 of the 47 bat species in the United States are ultimately at risk. The U.S. Fish and Wildlife Service estimates that WNS, now present in 22 States, has killed at least 5.7 million bats since its outbreak in 2006. Losses are so severe that FWS is reviewing three of the impacted species for possible listing under the Endangered Species Act.

The loss of bats from WNS could have serious implications for our economy and environment. Bats are primary predators of night-flying insects, including agricultural pests that attack corn, soybeans, cotton, and other crops. By eating these pests, bats reduce the need for pesticides, lower food production costs, and save farmers at least \$3.7 billion a year. Bats also perform ecological services for 66 plant species that produce timber.

The Federal Government and its State, local, tribal, and nonprofit partners have responded admirably to the WNS crisis. Their research has unlocked much of the disease's basic biology and informed initial management decisions. Now, Federal agencies are poised to apply this knowledge to more advanced questions, such as environmental factors' effects on WNS, the feasibility of pharmaceutical interventions, and the possibility of silencing Gd's harmful genes. In a particularly exciting recent advance, Forest Service researchers developed a more sensitive DNA test for Gd, allowing them to identify the presence of the fungus before disease appears, presenting the opportunity to use gene silencing as a means for controlling the fungus.

The potential these research findings present cannot be realized without funding. Moreover, besides dealing with the disease itself, the effort to save bats has expanded to include protecting the few fragile WNS survivors, understanding the factors that helped them to survive, and finding ways to regenerate their populations. Failing to adequately fund WNS in fiscal year 2014 will stall our hard-won progress toward understanding this epidemic, jeopardize the application of science to management, and undermine the impact of private funds leveraged to combat WNS.

Recognizing the gravity of the crisis facing our bat populations, we appreciate that Congress has responded by continuing to support the agencies' work. We recognize the increasingly difficult budget situation Congress faces but urge you to provide funding at the levels noted above; we cannot afford to lose ground in our efforts to protect the Nation's cave-dwelling bats.

#### FISH AND WILDLIFE SERVICE OFFICE OF LAW ENFORCEMENT

The administration's fiscal year 2014 budget proposes a moderate increase in funding to the FWS Office of Law Enforcement (OLE), one of the most important lines of defense for America's wildlife. Currently, OLE is tasked with enforcing and implementing over a dozen Federal wildlife and conservation laws that frequently impact both domestic and global security. Year after year, OLE protects the public against the illegal trade in wildlife and wildlife products—which is third only to the illicit trade in narcotics and weapons in terms of revenue generated globally—and the United States remains a source of, or destination for, much of this contraband. Even those who may not concern themselves with wildlife are reaping benefits as OLE protects against smuggling illegal substances and helps to thwart potentially devastating human health threats. It is critical that OLE receive adequate funding to fulfill its mission.

Accordingly, AWI requests an allocation of \$71.275 million for the Office of Law Enforcement, an increase of \$8.297 million over the fiscal year 2012 enacted budget. This reflects the President's proposed increase of \$5.297 million plus an additional \$3 million for facilities development at the National Fish and Wildlife Forensics Laboratory, which will improve and expand the activities of OLE in its critical role of combating wildlife crime.

#### THE NATIONAL FISH AND WILDLIFE FORENSICS LABORATORY

The successful outcomes of enforcement cases would not be possible without the essential work of the National Fish and Wildlife Forensics Laboratory (NFWFL), used by FWS agents and inspectors to gather hard evidence in wildlife crime cases. The lab uses state-of-the-art science, along with years of institutional knowledge, to identify wildlife products by species, determine the cause of death, and make other findings critical to a successful legal case. All 50 States and the 175 Convention for International Trade in Endangered Species (CITES) member countries depend on this facility to prosecute wildlife crimes.

It is heartening that \$1.297 million of the proposed \$5.297 million increase to OLE's budget will be allocated to advancing research involving genetic markers and isotope analysis. This research will ultimately improve investigators' ability to determine the geographic origin of animals and animal parts. However, in addition to the increased research funding, additional support for facilities development is needed. In order to continue advancing its invaluable work, the NFWFL must construct a comparison standards warehouse. This facility will be used to store and maintain the laboratory's more than 40,000 DNA samples from around the world. We request that an additional \$3 million be allocated to the establishment of this facility to support and expedite its construction.

## FISH AND WILDLIFE SERVICE SPECIAL AGENTS AND WILDLIFE INSPECTORS

The Fish and Wildlife Service Special Agents and Wildlife Inspectors who enforce U.S. wildlife laws play a critical role in protecting our Nation's wildlife. Special Agents aid in the reduction of illegal trade in wildlife and wildlife products, which continues to imperil species in the United States and around the world. Wildlife Inspectors play a similarly valuable role, minimizing illegal contraband shipments, uncovering smuggled goods and illegal trade rings at the border, and thwarting national and global health risks by shielding the American public from the disease and safety risks associated with importing non-native species.

In fiscal year 2012, FWS Special Agents pursued 12,996 investigations resulting in over \$10 million in fines and penalties, 56.9 years of jail time for the perpetrators, and 550.5 years of probation.<sup>1</sup> In the same year, FWS Wildlife Inspectors processed approximately 186,000 declared shipments of wildlife products worth over \$4.4 billion.<sup>2</sup> This impressive records merits proper funding and staffing adequate to fulfill OLE's mission. In fiscal year 2012, OLE employed just 219 Special Agents and 143 Wildlife Inspectors. We support the President's proposed increase of \$3 million (of the total \$5.297 million requested increase) to be allocated toward hiring Special Agents to investigate international wildlife trafficking and to support direct partnerships with foreign governments to coordinate training and monitoring efforts.

## WILD FREE-ROAMING HORSES AND BURROS ACT

The wild horse is as much a symbol of American heritage as the image of Uncle Sam and baseball. Currently, America's wild horses are subjected to mistreatment by the Bureau of Land Management (BLM), which uses a significant portion of its budget to round up and warehouse wild horses and burros without credible evidence supporting the need for such removals. Furthermore, since 2004, wild horses have been at risk of being sold to killer-buyers who make a profit by sending horses to slaughter for human consumption—in fact, in recent years, hundreds of wild horses were sold to at least one known killer-buyer.

In 1971, Congress acted on behalf of these wild animals to protect their natural habitat and lifestyle. It is now time for Congress to act again to ensure these animals are neither sent into long-term holding facilities nor sentenced to slaughter. BLM's proposed budget includes a program increase of \$2 million for Wild Horse and Burro Management. These funds are to be used "for new and existing applied research toward the development of tools intended to improve wild horse and burro management and rangeland health," including research that will "focus on developing more effective and longer lasting fertility control agents and techniques for suppressing population growth . . ." <sup>3</sup> AWI supports these efforts and requests that any increase in appropriations under the Wild Free-Roaming Horses and Burros Act be used solely for implementation of humane, on-the-range management methods such as immunocontraception, and not unnecessary roundup.

Finally, AWI strongly supports the inclusion of this "no-kill" language to ensure that BLM does not kill healthy wild horses and burros:

*"Provided, That appropriations herein made shall not be available for the sale or destruction of healthy, unadopted, wild horses and burros in the care of the Bureau or its contractors."*

## NATIONAL PARK SERVICE LETHAL MANAGEMENT OF NATIVE WILDLIFE

In recent years, the National Park Service (NPS) has significantly expanded its lethal control of native ungulates in contravention of its own legal mandates. During this time, the NPS has initiated lethal control of ungulates in a number of national parks (e.g., Valley Forge, Catoctin, Indiana Dunes, and Rock Creek) and is considering similar efforts in other parks. In each case, the NPS has misapplied its own statutes and policies and has failed to provide any credible site-specific data to justify its heavy-handed strategies. Though even the NPS concedes that ungulates are keystone herbivores, it is unwilling to allow ungulates to naturally influence ecosystem structure and function as its own statutes and policies require. Therefore, AWI requests that the following language, which would save taxpayer dollars, be included in the Senate Interior Appropriations bill:

<sup>1</sup>U.S. Fish and Wildlife Service Office of Law Enforcement, Law Enforcement at a Glance (2013).

<sup>2</sup>Id.

<sup>3</sup>U.S. Department of the Interior Bureau of Land Management, Budget Justifications and Performance Information: Fiscal Year 2014 (2013).

“No funds appropriated under this legislation shall be expended by the National Park Service to lethally control or kill native ungulates nor shall the National Park Service permit any entity, public or private, to kill said ungulates.”

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PREPARED STATEMENT OF THE ASSOCIATION OF ZOOS AND AQUARIUMS

Thank you, Chairman Reed and Ranking Member Murkowski, for allowing me to submit written testimony on behalf of the Nation's 212 U.S. accredited zoos and aquariums. Specifically, I want to express my support for the inclusion of \$9,466,000 for the Multinational Species Conservation Funds (MSCF) operated by the U.S. Fish and Wildlife Service and \$9.7 million for National Environmental Education Act programs at the Environmental Protection Agency (EPA) in the fiscal year 2014 Interior, Environment, and Related Agencies appropriations bill.

Founded in 1924, the Association of Zoos and Aquariums (AZA) is a nonprofit 501c(3) organization dedicated to the advancement of zoos and aquariums in the areas of conservation, education, science, and recreation. Accredited zoos and aquariums annually see more than 182 million visitors, collectively generate more than \$16 billion in annual economic activity, and support more than 142,000 jobs across the country. Annually, AZA-accredited institutions spend \$160 million on more than 2,650 field conservation projects in 130 countries.

MSCF programs support public-private partnerships that conserve wild tigers, elephants, rhinos, great apes, and marine turtles in their native habitats. Through the MSCF programs, the United States supplements the efforts of developing countries that are struggling to balance the needs of their human populations and endemic wildlife. MSCF programs help to sustain wildlife populations, address threats such as illegal poaching, reduce human-wildlife conflict, and protect essential habitat. By working with local communities, they also improve people's livelihoods, contribute to local and regional stability, and support U.S. security interests in impoverished regions. This Federal program benefits AZA-accredited zoos and aquariums in their field conservation efforts and partnerships with the U.S. Fish and Wildlife Service.

I also encourage you to continue to support the valuable environmental education initiatives at the EPA. Education programs at AZA-accredited institutions provide essential learning opportunities, particularly about science, for schoolchildren in formal and informal settings. Studies have shown that American schoolchildren are lagging behind their international peers in certain subjects including science and math. In the last 10 years, accredited zoos and aquariums formally trained more than 400,000 teachers, supporting science curricula with effective teaching materials and hands-on opportunities. School field trips annually connect more than 12 million students with the natural world. Increasing access to formal and informal science education opportunities has never been more important.

Finally, much of the important conservation work at accredited zoos and aquariums depends on a robust and fully staffed FWS. While I am aware of the budget challenges facing Congress and the agencies, I encourage you to ensure that the FWS has sufficient resources to employ qualified professionals, particularly for the programs handling permits, which support the science-based conservation breeding and wildlife education programs that require animals to be moved in an efficient, timely manner: International Affairs (Management Authority); Endangered Species; Law Enforcement; and Migratory Birds.

AZA-accredited zoos and aquariums are essential conservation and education partners at the Federal, State, and local levels domestically as well as internationally. To ensure that accredited zoos and aquariums can continue to serve in these important roles, I urge you to include \$9,466,000 for the Multinational Species Conservation Funds operated by FWS and \$9.7 million for National Environmental Education Act programs at the Environmental Protection Agency in the fiscal year 2014 Interior, Environment, and Related Agencies appropriations bill.

Thank you.

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PREPARED STATEMENT OF THE BRISTOL BAY AREA HEALTH CORPORATION

The requests of the Bristol Bay Area Health Corporation for the fiscal year 2014 Indian Health Service (IHS) budget are as follows:

—Allocate an additional \$7.8 million to the IHS to fully fund Village Built Clinic (VBC) leases, and direct the IHS to use its fiscal year 2014 appropriations to fully fund the VBC leases in accordance with section 804 of the Indian Health Care Improvement Act.

- Appropriate adequate funds for the IHS to fully pay all Contract Support Costs (CSC) without shortfall. Based on the limited information available to us, we estimate this would take \$617 million for fiscal year 2014. We also ask that the committees direct the IHS to immediately release the outstanding data on CSC shortfall for fiscal years 2011 and 2012.
- Exempt the IHS from any future sequestration, as Congress has done for the Veterans Health Administration programs.

The Bristol Bay Area Health Corporation (BBAHC) was created in 1973 to provide healthcare services to Alaska Natives of southwest Alaska. BBAHC began operating and managing the Kanakanak Hospital and the Bristol Bay Service Unit for the IHS in 1980, and was the first tribal organization to do so under the Indian Self-Determination and Education Assistance Act (ISDEAA). BBAHC is a co-signer to the Alaska Tribal Health Compact with the IHS under the ISDEAA and is now responsible for providing and promoting healthcare to the people of 34 Alaska Native Villages.

*Fully Fund Village Built Clinic Leases.*—BBAHC previously submitted joint testimony to the committees in March 2012, along with the Norton Sound Health Corporation and the Aleutian Pribilof Islands Association, outlining our concerns about the IHS's chronic underfunding of Village Built Clinic (VBC) leases. These concerns continue today.

The IHS's decision to continue underfunding the VBCs has jeopardized the provision of basic healthcare services to Alaska Natives in their villages. The VBCs are essential for maintaining the IHS Community Health Aide Program (CHAP) in Alaska, which provides the only local source of healthcare for many Alaska Native people in rural areas. The CHAP program is mandated by Congress as the instrument for providing basic health services in remote Alaska Native villages. The CHAP program involves a network of health aides/practitioners who provide primary healthcare services and coordinate patient care through referral relationships with midlevel providers, physicians, and regional hospitals. The CHAP cannot operate without the use of clinic facilities.

We believe the IHS has a legal obligation to maintain the VBCs in good repair. Under the Indian Health Care Improvement Act (IHCIA) amendments of 1992, Congress required the IHS to “maintain” the CHAP, and in the recent reauthorization of the act, Congress requires the IHS to “develop and operate” the CHAP for Alaska healthcare. 25 U.S.C. § 1616l(a)(2). IHS cannot fulfill these statutory responsibilities without keeping the VBCs in good working order through maintenance and repair.

The IHS has nevertheless, for many years, consistently underfunded the leases of VBCs even though the IHS has had available appropriations to fully fund the leases. IHS has made a policy decision to use “full-service” leases, which shift the cost of operation and maintenance of the VBCs to the villages, even though the IHS has direct leasing authority under the IHCIA and the ISDEAA. Lease rental amounts for the VBCs have failed to keep pace with costs—the majority of the leases for VBCs have not increased since 1989. The IHS has chosen to shift its statutory responsibilities onto the villages and tribal health corporations, like BBAHC, which do not have adequate financial resources to maintain and upgrade the VBCs for CHAP staff. As a result, some villages in our region have been left without an adequate healthcare facility and have even had to close the doors of their VBCs.

As we indicated in our joint testimony to the subcommittees last year, BBAHC and many other tribal organizations in Alaska have discussed this issue with the IHS on several occasions, and have proposed solutions that the IHS continues to ignore. IHS continues to assert that it provides for VBC leases all of the funds that Congress has appropriated for the program. In our view, the amounts historically traceable to the VBC leases are not capped by statute and are not the only funds available for that program. The Indian Health Facilities appropriation is a lump-sum appropriation that can be used for construction, repair, maintenance, improvements and equipment, and includes a sub-activity for maintenance and improvement of IHS facilities. The VBCs are IHS facilities acquired by lease in lieu of construction and should thus be eligible for maintenance and improvement funding. The IHS can also access other IHS discretionary funds to fully fund its VBC obligations.

For the 2014 appropriations, we thus request that at least an additional \$7.8 million be included in the appropriation specifically for the purpose of fully funding all VBC leases in 2014. We also ask that Congress direct the IHS to use existing fiscal year 2014 appropriations to fully fund the VBC leases in accordance with section 804 of the Indian Health Care Improvement Act.

*Adequate Appropriations Are Needed To Fully Fund Contract Support Costs (CSC); IHS Should Be Directed To Release CSC Shortfall Data.*—While Congress has in the past appropriated additional funding for CSC owed to tribes and tribal

organizations under the ISDEAA and Federal case law, which BBAHC greatly appreciated, those additional appropriated funds unfortunately are not enough to eliminate the ongoing shortfall of CSC. As a result, BBAHC continues to endure significant financial hardships that translate into less healthcare for its patients. We urge the subcommittees to continue to push for full funding of CSC so that CSC underfunding is finally resolved. While it is difficult to estimate the full CSC need for fiscal year 2014—in part because IHS refuses to release its CSC distribution data for the last 2 years, as discussed further below—based on projections from fiscal year 2010 we estimate that the total need in fiscal year 2014 is \$617 million.

Full CSC funding would allow the IHS to resolve the inherent dilemma placed on the IHS by the appropriations “caps,” which Congress has for years placed on the amount of CSC the IHS can pay for aggregate CSC. However, section 106(a)(2) of the ISDEAA requires full payment of CSC, notwithstanding the appropriations “cap.” The effect of the “cap” does not limit what the IHS must pay individual tribes and tribal organizations for CSC under their ISDEAA contracts and compacts. *Salazar v. Ramah Navajo Chapter*, 132 S. Ct. 2181 (2012). In the *Ramah* decision, the United States Supreme Court recognizes that the ISDEAA requires payment of full CSC to all contractors, yet in every year at issue Congress failed to appropriate enough for the agencies to do so. We ask that the subcommittee appropriate enough CSC to eliminate underfunding.

Unfortunately, some in the administration appear to view the *Ramah* decision not as a call for full CSC funding but as a roadmap for shortchanging tribes and leaving them no legal recourse. We found it surprising that the President’s fiscal year 2014 budget, released on April 10, proposed only a minimal increase for IHS CSC to \$477,205,000. This would force tribes to absorb almost \$140 million in uncompensated costs for overhead and administration of Federal programs. Just as bad, the administration’s proposed appropriations act language attempts to preclude tribes from recovering any of their CSC shortfalls through contract actions, which the Supreme Court in *Ramah* said is currently their right. The bill language would incorporate by reference a table identifying the maximum amount of CSC available for every single ISDEAA agreement. We urge that the subcommittee reject this proposed approach and, instead, fully fund CSC for both IHS and BIA.

Finally, we would very much like to see the CSC shortfall data for fiscal years 2011 and 2012, but the IHS has to date failed to provide that data to tribes and tribal organizations. IHS is required to submit CSC shortfall reports to Congress no later than May 15 of each year by section 106(c) of the ISDEAA, 25 U.S.C. §450j-1(c). BBAHC and other co-signers to the Alaska Tribal Health Compact, under title V of the ISDEAA, recently asked the IHS to share the CSC distribution data for those years with all of the co-signers. Access to the CSC shortfall data, if not the reports themselves, is critical to our ability to understand the IHS’s view of the scope of CSC underfunding, to evaluate IHS’s allocation of its insufficient past CSC appropriations, and to pursue full CSC funding moving forward. The IHS has to date refused to make the reports available, and again refused as recently as the co-signers’ meeting with the IHS Area Lead Negotiator for the Alaska Area of IHS in March 2013. We thus ask that the committees direct the IHS to immediately release the CSC shortfall data for fiscal years 2011 and 2012.

*Sequestration.*—The Office of Management and Budget determined that the IHS’s discretionary appropriation is fully sequestrable, which resulted in a \$220 million cut in funding to the IHS for fiscal year 2013—roughly 5 percent of the IHS’s overall budget. IHS lost \$195 million for programs like hospitals and health clinics services, contract health services, dental services, mental health and alcohol and substance abuse. Impacts are also felt on programs and projects necessary for maintenance and improvement of health facilities. These negative effects are then passed down to every ISDEAA contractor, including BBAHC. BBAHC is already significantly underfunded, resulting in further cuts to the availability of health services we are able to provide to our patients, resulting in real consequences for individuals who have to forego needed care.

We are suffering these reductions and experiencing these new challenges to providing healthcare for the people of the BBAHC region, despite the United States’ trust responsibility for the health of Alaska Native and American Indian people. We cannot understand why this responsibility was taken less seriously than the Nation’s promises to provide health to our veterans. The Veterans Health Administration (VA) was made fully exempt from the sequester for all programs administered by the VA. See section 255 of the Balanced Budget and Emergency Deficit Control Act (BBEDCA), as amended by Public Law 111-139 (2010). Also exempt are State Medicaid grants and Medicare payments are held harmless except for a 2 percent reduction for administration of the program. We thus strongly urge the sub-

committee to support amendment of the BBEDCA to fully exempt the IHS from any future sequestration, just as the VA's and other health programs are exempt.

Thank you for your consideration of our requests to address the chronic underfunding of VBCs and CSC and to fully exempt IHS funds from any future budget sequestration. We will be glad to provide any additional information the subcommittees may request.

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PREPARED STATEMENT OF THE BACK COUNTRY HORSEMEN OF WASHINGTON

The Back Country Horsemen of Washington are pack and saddle stock users who ride on our Nation's public lands in the traditions that date back to the founders of our public agencies. Part of our purpose is to provide assistance to the agencies in the form of volunteerism in order to maintain our public lands' trails systems. We are a support group, and while we are very proud of our partnership with the agencies, particularly the U.S. Forest Service, we are also dismayed that they struggle with inadequate resources to even start to address backlog trail and road maintenance. Furthermore we find that our own ability to assist as volunteers is often limited, not by the enthusiasm of our membership, but by the inability of the agencies to fund the planning work and issue approvals necessary to accomplish some of the work we stand prepared to do. Finally, we find that as the agencies turn to grant sources to fund everything from law enforcement to basic maintenance, we all find ourselves competing over shrinking pots of money. There does not seem to be a light at the end of the tunnel. What we now deal with are not just failed trails, blocked trails, and washed out roads that seem to take forever to even get approvals to repair, but we are also seeing a loss of quality of public lands recreation due to insect infestation and fire, as well as an increased danger to personal safety from lack of sight distance driving on forest roads where the brush has turned two lane roads into one.

We therefore ask that for the National Forest trail system, the House fund the USFS at \$85 million for fiscal year 2014 for their Capital Improvement and Maintenance (CIM) Trails projects and \$237 million for CIM Roads. We also ask for \$285 million for the USFS Recreation, Heritage and Wilderness allocation and \$46 million for their Land Management Planning. Let's fix our roads and trails so they can be used.

We would like our National Scenic Trails to receive sustained funding, and particularly we ask for \$1 million for the Pacific Northwest National Scenic Trail. This trail has not yet been given a meaningful appropriation to complete even its comprehensive plan. Volunteers have been at this for three decades trying to make this trail a reality. While it did get brought into the National Scenic Trail system by Senator Maria Cantwell and Representative Norm Dicks, little congressional investment has been made since to make this trail a known entity in the Northwestern States.

To help our national scenic trails get completed, please reauthorize the Federal Lands Transaction Facilitation Act (FLTFA). This is a "land for land" program that sells Federal lands in order to acquire more strategic parcels. This is similar to transactions between State and private entities in Washington State.

With respect to the Legacy Roads and Trails (LRT) allocation, we feel this is an important fund but that the "trails" part of it is often well overlooked except when discussing the intent of the program. We ask that this fund be genuinely used equally to repair roads, repair trails, and decommission truly unstable and unneeded roads. We ask that LRT be funded at \$90 million, and that one-third of this fund go to trail stabilization, trail infrastructure repair, and trailhead enhancements.

We would like Secure Rural Schools to be reauthorized so there remains available revenue for title II grants that so benefit our rural counties and our National Forests. These revenues fix campgrounds and trailheads, repair roads, replace culverts, and manage invasive weeds.

Our candid viewpoint on Department of the Interior agencies is that there has been a trending over years for these departments to limit public access to their lands beyond the visitors' centers. It is our feeling that DOI is losing touch with many residents in western States. If alive today, Teddy Roosevelt, who started the National Refuge System, would no longer be able to ride his horse on most of them. The same is true for John Muir with regards to National Parks. The refuge system now has an Appropriate Use Policy, and apparently rural residents aren't appropriate users. We do look forward to working with Interior Secretary Sally Jewell in the hopes that America's Great Outdoors once again are for all Americans. From past experience with Ms Jewell, she exemplified the ability to reach out to everyone



here in Washington State. We are optimistic that she will bring this unifying approach to the other Washington.

With the Federal Lands Recreation Enhancement Act (FLREA) set to expire, fees will be an important topic in Congress, in the agencies, and among the user groups. When considering the reauthorization of FLREA, please include all user groups in the discussions including the Back Country Horsemen. Following FLREA reauthorization will be changes to the Land and Water Conservation Fund (LWCF) legislative policies. Once again, we ask that we be allowed input in these discussions.

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PREPARED STATEMENT OF BAT CONSERVATION INTERNATIONAL

Chairman Reed, Ranking Member Murkowski, and members of the subcommittee, thank you for the opportunity to submit testimony. Bat Conservation International (BCI) is a nonprofit organization that conducts and supports science-based research, education, and conservation to ensure that bats will still be helping to maintain healthy environments and human economies far into the future. We respectfully request \$7,505,000 in fiscal year 2014 funding to address White-nose Syndrome (WNS), a disease that is decimating North American bats.

WNS poses the gravest threat ever faced by American bats. Since its discovery in 2006, the disease has killed at least 5.7 million bats. It is named for the previously unknown, cold-loving white fungus, called *Geomyces destructans* (Gd), that is found on the faces and wings of infected bats and causes the disease. WNS-infected bats awaken frequently during hibernation, burning the fat reserves they need to survive the winter. They often emerge early from hibernation, before the return of warm weather and insects, only to freeze or starve to death outside their caves. The disease or its fungus has spread to 24 States and five Canadian provinces in the 7 years since WNS was first reported in a cave near Albany, New York. The northeastern United States has borne the brunt of WNS so far, but the disease or Gd has spread as far south as Alabama and Georgia. It also has spread as far west as Oklahoma—a location closer to the Pacific Ocean than to the site where WNS was first found.

Biologists consider the WNS die-off to be North America's most precipitous wildlife decline in the past century. The disease strikes hibernating bats—those that sleep through the winter in caves and mines—and has affected every hibernating bat species in its geographic path. Of the Nation's 47 bat species, 25 hibernate and are considered at risk. WNS or Gd currently affects nine species, including the federally endangered Indiana and gray bats, which are at increased risk of extinction as a result. Some WNS-infected sites experience mortality rates of almost 100 percent. Losses are so severe that researchers are predicting regional extinctions of the little brown bat—previously one of America's most common mammals—within 14 years.

Bats provide many benefits to humankind. As primary predators of night-flying insects, bats are critical to maintaining the balance of nature. A bat can eat more than half its body weight in insects each night, consuming vast numbers of pests that damage crops such as corn, cotton, and soybeans. A study published in 2011 in the journal *Science* estimates that the value of bats to the U.S. agriculture industry is \$22.9 billion per year. Bats also eat insects that damage forests and spread disease. Some bat species pollinate crops and disperse seeds. Research of bat biology has yielded important chemical products, including a medication to prevent strokes. Bat droppings in caves support unique ecosystems, including microorganisms that could be used in detoxifying industrial wastes and producing safer pesticides and antibiotics.

The loss of bats would have serious ecological and economic consequences. With millions of bats dead from WNS, their would-be prey insects are surviving to attack crops and forests. The *Science* article argues that, as a result of WNS, North American agriculture will begin noting economic losses within a few years, with especially significant impacts to the Midwest and Great Plains. In addition to crop losses, more pesticides will be required, increasing the financial strain on farming families, raising the price of food for consumers, and releasing more chemicals into our environment. Bats are important predators, so their disappearance could have broad, ripple effects on the environment that we cannot yet assess.

Population declines from WNS could lead to listing more bat species under the Federal Endangered Species Act, as well as State-level statutes, with far-ranging economic costs. Because of WNS, the Fish and Wildlife Service is conducting status assessments of the little brown bat, northern long-eared bat, and eastern small-footed bat. At the State level, Ohio and Wisconsin have each listed four bat species, Vermont has listed three, and other States are considering designations. Bat species

affected by WNS have broad geographic distributions and complex ecological patterns, which would likely require high recovery costs. Finally, regulations stemming from listing more bat species could have economic impacts on industries such as infrastructure, energy, forestry, mining, defense, tourism, and outdoor recreation.

BCI appreciates the commitment Congress has demonstrated toward fighting WNS. In fiscal year 2010, Congress appropriated \$1.9 million in WNS-related funds to FWS. In the fiscal year 2012 spending package, Congress directed FWS to spend no less than \$4 million on WNS, and directed BLM and USFS to prioritize WNS activities. We thank Congress for recognizing not only the gravity of WNS, but also the institutional and geographic scope of the response that is needed to fight the disease. The Federal Government—in conjunction with partners in State, local, and tribal agencies, academic institutions, and nonprofits—has mounted an admirable response to the disease within the framework of the National Plan for Assisting States, Federal Agencies, and Tribes in Managing White Nose Syndrome in Bats (National Plan).

The increases for WNS requested in the President's fiscal year 2013 budget will enable Federal agencies to capitalize on, and add to, the hard-won progress they have made against WNS. Researchers have answered many of the basic science questions about this previously unknown disease. They are ready to apply this knowledge to management and conservation measures. Failing to fund WNS this year will negate the accomplishments of Federal agencies and their partners in the fight against this devastating epidemic.

BCI therefore supports the requests for WNS funding in the President's fiscal year 2014 budget, and we urge the subcommittee to maintain them. If the subcommittee can invest more in fighting WNS to protect bats and their valuable contributions to the economy, agriculture, and the environment, we suggest the following outlays:

*U.S. Fish and Wildlife Service: \$1,500,000*

We ask the subcommittee to maintain the \$1.5 million request for WNS in the President's fiscal year 2014 budget.

This will fund:

- Research.*—Identify priorities for applied research to help combat WNS and manage its spread, and fund projects that support these goals.
- State support.*—Provide funding for State wildlife agencies to conduct disease surveillance, monitor bat populations, implement conservation measures, and conduct research.

*U.S. Geological Survey: \$1,505,000*

We ask the subcommittee to maintain the \$1.505 million request for WNS in the President's fiscal year 2014 budget.

This will support research on topics such as:

- The role of environmental factors in WNS development.
- Non-bat models for studying WNS in the lab, to preclude the taking of sensitive species.
- Differences between Gd and related, non-pathogenic fungi to identify harmful genes that could possibly be silenced.

These activities support the goals of the following National Plan working groups:

- Diagnostics,
- Disease Management,
- Epidemiological and Ecological Research,
- Disease Surveillance, and
- Conservation and Recovery.

*National Park Service: \$3,000,000*

We ask the subcommittee to maintain the \$3 million request for WNS in the President's fiscal year 2014 budget.

This will fund:

- On-the-ground disease surveillance.
- Inventory of bat resources.
- Participation in research to help fight the disease.
- Visitor decontamination and monitoring visitor flow at cave sites, as needed.
- Managing habitat to increase bat survival.
- Public education about WNS.

These activities support the goals of the following National Plan working groups:

- Disease Management,
- Conservation and Recovery, and
- Communications and Outreach.

*Bureau of Land Management: \$500,000*

Thanks to Congress's fiscal year 2012 directive for the Bureau of Land Management to "prioritize research related to White Nose Syndrome in bats and the inventory and monitoring of bat resources on Bureau-administered lands," the agency increased money spent on WNS activities by nearly 250 percent from fiscal year 2011.

These activities included:

- Monitoring of disease presence or absence.
- Inventory of bat, cave, and mine resources.
- Participation in research to help fight the disease.

We ask the subcommittee to provide \$500,000 so BLM can continue these WNS efforts, in support of the goals of the National Plan Disease Management Working Group.

*U.S. Forest Service: \$1,000,000*

As a result of Congress's fiscal year 2012 directive for the Forest Service to "prioritize research related to White Nose Syndrome as well as inventory and monitoring of bat resources on Forest Service lands," the agency developed a WNS science strategy, and expanded WNS activities on its lands.

So that USFS can continue these efforts, we ask the subcommittee to provide \$1,000,000: \$750,000 for Research and Development and \$250,000 for the National Forest System.

This will fund:

- Research on topics such as:
  - Enhancing environmental conditions for bat survival in the face of WNS.
  - Possible biological controls for WNS.
  - Ways to measure the status and fitness of bat populations.
- Conducting visitor decontamination and monitoring visitor flow at cave sites, as needed.
- On-the-ground disease surveillance.
- Managing forest habitat to increase bat survival.

These activities support the goals of the following National Plan working groups:

- Disease Management,
- Epidemiological and Ecological Research, and
- Conservation and Recovery.

Money spent on WNS is a wise investment. Preventing WNS spread will spare businesses the regulatory and other impacts of massive bat die-offs. Implementing WNS response generates jobs. Finally, conducting WNS research, management, and prevention now will reduce future expenses to the U.S. economy from insect-related losses to agriculture and forestry and the cost of listed-species recovery. In this case, an ounce of prevention truly is worth a pound of cure.

Thank you for the opportunity to share BCI's position on this serious matter. We respectfully ask you to consider our urgent request.

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PREPARED STATEMENT OF THE COALITION AGAINST FOREST PESTS

The Coalition Against Forest Pests (Alliance for Community Trees, American Forest & Paper Association, American Forests, American Forest Foundation, California Forest Pest Council, National Association of Conservation Districts, National Alliance of Forest Owners, National Association of State Foresters, National Woodland Owners Association, Society of American Florists, Society of American Foresters, The Davey Tree Expert Company, The Nature Conservancy, Vermont Woodlands Association) consists of nonprofit organizations, for-profit corporations, landowners, State agencies and academic scholars who have joined together to improve our Nation's efforts to address this critical threat to our forests. Our Coalition seeks to create real and lasting change by advocating for stronger programs and policies that work to combat this threat, mitigate the existing impacts, and restore healthy forest ecosystems. We write today in support of the USDA Forest Service (USFS) Forest Health Management Program which provides critical assistance to other Federal agencies, State agencies, local agencies and private landowners in their efforts to protect and improve the health of America's rural and urban forests. For fiscal year 2014, we urge the Subcommittee on Interior, Environment and Related Agencies to provide funding for the Forest Service Forest Health Management (FHM) Program to no less than the fiscal year 2012 level of \$112 million (of which \$48 million was directed to cooperative lands) and to provide research for forest invasive species through the Forest Service Research Program to the fiscal year 2012 level.

Our Nation's forests and trees, much like other critical infrastructure, provide numerous benefits. Across both rural and urban landscapes, forests and trees play an

important role in the health of our environment and our economy—providing clean air and water, wildlife habitat, enhanced property values, renewable energy sources, and carbon sequestration. Furthermore, healthy and sustainable forests drive State and local economies by supporting jobs related to forest products, recreation, and tourism. The U.S. forest products industry employs nearly 900,000 people; it is among the top 10 manufacturing sector employers in 47 States. In Idaho and Virginia alone, the forest products industry directly employs nearly 10,000 and 28,000 people, respectively. Wood and paper production ranks in the top 10 manufacturing sectors in both States and generates billions in shipments of important wood and paper products annually. In Vermont, the maple sugar industry provides 4,000 seasonal jobs. Visitors to National Forest System lands generate more than \$13 billion of recreation and other related economic activity. Tourism based on fall foliage displays attracts 1 million tourists who annually generate \$1 billion in revenue in New England.

The importance of the continued health and vitality of our urban and rural forests cannot be overstated; unfortunately, neither can the severity of the threats they currently face. The ability of trees and forests to continue to provide important environmental and socioeconomic benefits is being threatened by damaging invasive species that are arriving and spreading at an increasing rate—destroying habitat and creating voids in cities and towns once populated by thriving forests and trees.

Close to 500 species of tree-damaging pests from other countries have become established in the country, and a new one is introduced, on average, every 2 to 3 years. At least 28 new tree-killing pests have been detected in the United States in just the last decade. Some of these are capable of causing enormous damage. For instance, thousand cankers disease threatens black walnut trees across the East; the value of walnut growing stock is estimated to be \$539 billion.

Already, municipal governments across the country are spending more than \$2 billion each year to remove trees on city property killed by non-native pests. Homeowners are spending \$1 billion to remove and replace trees on their properties and are absorbing an additional \$1.5 billion in reduced property values.

The USFS FHM & Research programs provide critical resources supporting efforts to prevent, contain, and eradicate dangerous pests and pathogens affecting trees and forests. USFS funding for many of these vital pest programs has been cut severely, as the data comparing funding in fiscal year 2011 and fiscal year 2012 demonstrate:

- Asian longhorned beetle, cut by 68 percent from fiscal year 2011 to fiscal year 2012;
- Sudden oak death, cut by 53 percent from fiscal year 2011 to fiscal year 2012;
- Emerald ash borer, cut by 36 percent from fiscal year 2011 to fiscal year 2012; and
- Hemlock woolly adelgid, cut by 22 percent from fiscal year 2011 to fiscal year 2012.

These programs suffered further cuts in fiscal year 2013; the emerald ash borer program was cut by another 32 percent, reducing it to only 42 percent of its 2011 level. In the meantime, the APHIS EAB program has shrunk 74 percent—from \$37.2 million to just \$9.7 million.

In fiscal year 2012, the FHM Program helped combat native and invasive pests on over 351,000 acres of Federal lands and over 615,000 acres of Cooperative lands. While these numbers represent a vital component of our efforts to protect the Nation's forests and trees, they also represent the real consequences of reductions in funding—with nearly 150,000 fewer acres treated on Cooperative lands in fiscal year 2012 (as compared to acres treated in fiscal year 2011). Further, FHM leads the Federal Government's efforts to counter forest pests which have become widespread, including gypsy moth, hemlock woolly adelgid, white pine blister rust, Port-Orford-cedar root disease, thousand cankers disease, oak wilt, and others. Any further cuts to this program will necessitate deeper reductions in support for communities already facing outbreaks and expose more of the Nation's forests and trees to the pests' devastating and costly effects.

The USFS Research and Development Program provides the science to help manage invasive species in urban and rural forests. Forest Service Research (R&D) provides the scientific foundation for developing effective tools to detect and manage forest pests and the pathways by which they are introduced and spread. We consider it vitally important to conduct research aimed at improving detection and control methods for the Emerald Ash Borer, Hemlock Woolly Adelgid, Sudden Oak Death, Thousand Cankers Disease, Gold-spotted Oak Borer and other non-native forests pests and diseases. USFS research scientists have had the leading role in developing detection traps and evaluating treatments that make walnut lumber safe to continue moving in commerce.

We ask your support to direct Forest Service research funding targeted at improving detection and control of these deadly pests and diseases. The importance of maintaining funding for USFS FHP and R&D programs on these pests is demonstrated by a brief description of the threats they pose:

- The Asian longhorned beetle kills trees in 15 botanical families—especially maples and birches which constitute much of the forest reaching from Maine to Minnesota and urban trees worth an estimated \$600 billion.
- Emerald ash borer occupies more than 200,000 square miles in 18 States. More than 200 million ash trees in the Plains States and additional trees in the South are at risk to this pest. Homeowners and municipalities collectively will pay more than \$10 billion over the next 10 years to remove dead ash trees that would otherwise fall and cause property damage or even loss of life.
- Hemlock woolly adelgid has killed up to 90 percent of hemlock trees in the Appalachians from Georgia to Massachusetts. Loss of hemlock groves threatens unique ecosystems and watersheds.
- Goldspotted oak borer has killed up to 80,000 California live oak and black oak trees in San Diego County in less than 15 years. The insect threatens oaks throughout California, including close to 300,000 oak trees growing in greater Los Angeles and trees in Yosemite Valley.
- Sudden Oak Death affects 143 different plant species and continues to spread in California's 14 impacted counties as well as Curry County, Oregon. In 2012 alone, nearly 400,000 trees were lost to Sudden Oak Death in California.

In a time when America's forests and trees faces significant threats regarding their present and long-term health, USFS must be provided with adequate funds to support this key program. Accordingly, we urge you to provide funding to no less than fiscal year 2012 levels as you consider fiscal year 2014 appropriations for the USFS. We would be pleased to answer any questions you may have. Thank you for your time and consideration of this important request.

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#### PREPARED STATEMENT OF THE CENTRAL ARIZONA PROJECT

On behalf of the Central Arizona Water Conservation District (CAWCD), I encourage you to include \$5.2 million for general water quality improvement efforts within the Colorado River Basin and an additional \$1.5 million for salinity specific projects in the Bureau of Land Management's (BLM) Soil, Water and Air Program in fiscal year 2014. This funding will help protect the water quality of the Colorado River that is used by approximately 40 million people for municipal and industrial purposes and used to irrigate approximately 4 million acres in the United States.

CAWCD manages the Central Arizona Project, a multi-purpose water resource development and management project that delivers Colorado River water into central and southern Arizona. The largest supplier of renewable water in Arizona, CAP diverts an average of over 1.6 million acre-feet of Arizona's 2.8 million acre-foot Colorado River entitlement each year to municipal and industrial users, agricultural irrigation districts, and Indian communities.

Our goal at CAP is to provide an affordable, reliable and sustainable supply of Colorado River water to a service area that includes more than 80 percent of Arizona's population.

These renewable water supplies are critical to Arizona's economy and to the economies of Native American communities throughout the State. Nearly 90 percent of economic activity in the State of Arizona occurs within CAP's service area. CAP also helps the State of Arizona meet its water management and regulatory objectives of reducing groundwater use and ensuring availability of groundwater as a supplemental water supply during future droughts. Achieving and maintaining these water management objectives is critical to the long-term sustainability of a State as arid as Arizona.

#### NEGATIVE IMPACTS OF CONCENTRATED SALTS

Natural and man-induced salt loading to the Colorado River creates environmental and economic damages. EPA has identified that more than 60 percent of the salt load of the Colorado River comes from natural sources. The majority of land within the Colorado River Basin is federally owned, much of which is administered by BLM. Human activity, principally irrigation, adds to salt load of the Colorado River. Further, natural and human activities concentrate the dissolved salts in the River.

The U.S. Bureau of Reclamation (Reclamation) has estimated the current quantifiable damages at about \$376 million per year to U.S. users with projections that

damages would increase to more than \$500 million by 2030 if the program were not to continue. These damages include:

- a reduction in the yield of salt sensitive crops and increased water use to meet the leaching requirements in the agricultural sector,
- increased use of imported water and cost of desalination and brine disposal for recycling water in the municipal sector,
- a reduction in the useful life of galvanized water pipe systems, water heaters, faucets, garbage disposals, clothes washers, and dishwashers, and increased use of bottled water and water softeners in the household sector,
- an increase in the cost of cooling operations and the cost of water softening, and a decrease in equipment service life in the commercial sector,
- an increase in the use of water and the cost of water treatment, and an increase in sewer fees in the industrial sector,
- a decrease in the life of treatment facilities and pipelines in the utility sector, and
- difficulty in meeting wastewater discharge requirements to comply with National Pollutant Discharge Elimination System permit terms and conditions, and an increase in desalination and brine disposal costs due to accumulation of salts in groundwater basins.

Adequate funding for salinity control will prevent the water quality of the Colorado River from further degradation and avoid significant increases in economic damages to municipal, industrial and irrigation users.

#### HISTORY OF THE BLM COLORADO RIVER BASIN SALINITY CONTROL PROGRAM

In implementing the Colorado River Basin Salinity Control Act of 1974, Congress recognized that most of the salts in the Colorado River originate from federally owned lands. Title I of the Salinity Control Act deals with the U.S. commitment to the quality of waters being delivered to Mexico. Title II of the act deals with improving the quality of the water delivered to users in the United States. This testimony deals specific with title II efforts. In 1984, Congress amended the Salinity Control Act and directed that the Secretary of the Interior develop a comprehensive program for minimizing salt contributions to the Colorado River from lands administered by BLM.

In 2000, Congress reiterated its directive to the Secretary and requested a report on the implementation of BLM's program (Public Law 106-459). In 2003, BLM employed a Salinity Coordinator to increase BLM efforts in the Colorado River Basin and to pursue salinity control studies and to implement specific salinity control practices. With a significant portion of the salt load of the Colorado River coming from BLM administered lands, the BLM portion of the overall program is essential to the success of the effort. Inadequate BLM salinity control efforts will result in significant additional economic damages to water users downstream.

The threat of salinity continues to be a concern in both the United States and Mexico. Most recently, on November 20, 2012, a 5-year agreement, known as Minute 319, was signed between the United States and Mexico to guide future management of the Colorado River. Among the key issues addressed in Minute 319 included an agreement to maintain current salinity management and existing salinity standards. The CAWCD and other key water providers are committed to meeting these goals.

#### CONCLUSION

Implementation of salinity control practices through the BLM Program has proven to be a very cost effective method of controlling the salinity of the Colorado River. In fact, the salt load of the Colorado River has now been reduced by roughly 1.2 million tons annually, reducing salinity in the Lower Basin by more than 100 ppm. However, shortfalls in funding levels have led to inefficiencies in the implementation of the overall Program. Therefore, additional funding is required in 2014 to meet this goal and prevent further degradation of the quality of the Colorado River with a commensurate increase in downstream economic damages.

CAWCD urges the subcommittee to include \$5.2 million for general water quality improvement efforts within the Colorado River Basin and an additional \$1.5 million for salinity specific projects in the Bureau of Land Management's (BLM) Soil, Water and Air Program. If adequate funds are not appropriated, significant damages from the higher salt concentrations in the water will be more widespread in the United States and Mexico.

## PREPARED STATEMENT OF THE COOPERATIVE ALLIANCE FOR REFUGE ENHANCEMENT

Chairman Reed, Ranking Member Murkowski, and members of the subcommittee: Thank you for the opportunity to offer comments on the fiscal year 2014 Interior, Environment, and Related Agencies appropriations bill. The National Wildlife Refuge System stands alone as the only land and water conservation system with a mission that prioritizes wildlife and habitat conservation and wildlife-dependent recreation. Since 1995, the Cooperative Alliance for Refuge Enhancement (CARE) has worked to showcase the value of the Refuge System and to secure a strong congressional commitment for conserving these special places. Found in every U.S. State and territory, national wildlife refuges conserve a diversity of America's environmentally sensitive and economically vital ecosystems, including oceans, coasts, wetlands, deserts, tundra, prairie, and forests. We respectfully request a funding level of \$499 million for the Operations and Maintenance accounts of the National Wildlife Refuge System for fiscal year 2014.

This testimony is submitted on behalf of CARE's 22 member organizations, which represent approximately 15 million Americans passionate about wildlife conservation and related recreational opportunities.

American Birding Association	National Wildlife Federation
American Fisheries Society	National Wildlife Refuge Association
American Sportfishing Association	Safari Club International
Association of Fish and Wildlife Agencies	The Corps Network
Congressional Sportsmen's Foundation	The Nature Conservancy
Defenders of Wildlife	The Wilderness Society
Ducks Unlimited, Inc.	The Wildlife Society
Izaak Walton League of America	Trout Unlimited
Marine Conservation Institute	U.S. Sportsmen's Alliance
National Audubon Society	Wildlife Forever
National Rifle Association	Wildlife Management Institute

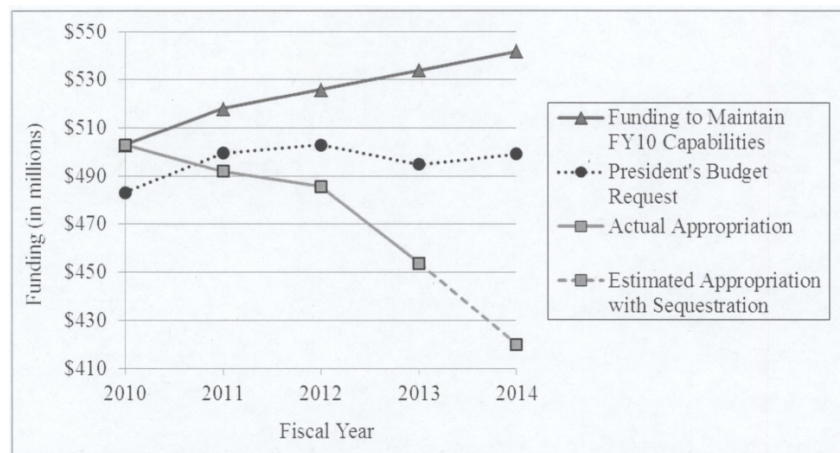
The National Wildlife Refuge System, established by President Theodore Roosevelt in 1903, protects approximately 150 million acres on 561 national wildlife refuges and 38 wetland management districts across the United States. From the Virgin Islands to Guam and the Pacific marine national monuments, the Refuge System spans 12 time zones and protects America's natural heritage in habitats ranging from arctic tundra to arid desert, boreal forest to sagebrush grassland, and prairie wetlands to coral reefs. With units in every State and territory, and within an hour's drive of most metropolitan areas, the Refuge System attracts a growing number of visitors each year (more than 47 million in fiscal year 2012) with opportunities for hunting, fishing, wildlife observation, photography, kayaking, and outdoor education. Together, these visitors generate between \$2.1 billion and \$4.2 billion annually to local and regional economies—on average returning \$4 to \$8 in economic activity for every \$1 appropriated—and support approximately 35,000 U.S. jobs. In addition, refuges also provide important environmental and health benefits, such as filtering storm water before it runs downstream to municipal water supplies and, in many areas, reducing flooding by capturing excess rainwater and attenuating coastal storm surges. According to a 2011 report by Southwick Associates, refuges generate more than \$32.3 billion in these ecosystem services each year, a return of more than \$65 for every \$1 appropriated by Congress.

CARE estimates that the Refuge System needs at least \$900 million in annual operations and maintenance funding to properly carry out its conservation mission "for the benefit of present and future generations of Americans," as mandated by Congress through the bipartisan-supported National Wildlife Refuge System Improvement Act of 1997. That entails managing wildlife, restoring habitats, providing quality recreation programs, and more. At its highest funding level in fiscal year 2010, the System received \$503 million—little more than half the needed amount. Since that time, congressional appropriations have been steadily backsliding toward levels that, in real dollars, have not been seen since fiscal year 2006.

If sequestration cuts continue, CARE estimates that the Refuge System's fiscal year 2014 appropriation could drop to only about \$420 million—a cut of \$83 million, or 17 percent, compared with fiscal year 2010. On the ground, however, it will feel more like a \$122 million, or 24 percent, cut (see chart). That is because the Refuge System needs an increase of \$8 million to \$15 million each year to cover the rising

cost of fuel, utilities, rent, and other fixed expenses.<sup>1</sup> Because budgets have not kept pace with rising costs, the gap between the level of funding needed to maintain the Refuge System's capabilities and the level of funding appropriated by Congress has widened dramatically. To begin to bridge that gap, CARE seeks a middle ground and urges Congress to fund the National Wildlife Refuge System's Operations and Maintenance accounts at \$499 million in fiscal year 2014. This funding level is essential in order for the Refuge System to:

- Conduct management and restoration activities to provide healthy habitats that attract wildlife and, in turn, draw visitors.
- Keep refuges open and staffed so that quality recreational opportunities continue to be offered to the public.
- Maintain facilities and equipment used to serve the public and manage habitat.
- Provide law enforcement officers needed to keep refuge resources and the people who come to appreciate them safe.



The effects of sequestration cuts are already being felt on refuges across the country and, if allowed to continue eating away at the Refuge System's annual operations and maintenance funding, CARE anticipates significant impacts both within and outside of refuge boundaries, including:

- A reduction in the treatment of invasive plant populations, which will reduce the quality of habitat needed to support wildlife (both game and nongame) and put private lands at higher risk of infestations.
- A decrease in the use of prescribed fire, which is used on refuges both to improve habitat for wildlife that are adapted to fire and to reduce hazardous fuels that pose a wildfire risk to nearby communities.
- A decline in the number and quality of visitor programs, with visitor centers at many refuges operating at reduced hours, and plans to add or expand hunting programs at as many as 29 refuges being postponed or cut.
- Lost revenue for local communities as visitor numbers drop; according to the U.S. Fish and Wildlife Service (FWS) fiscal year 2013 budget justification, "Each 1 percent increase or decrease in visitation impacts \$16.9 million in total economic activity, 268 jobs, \$5.4 million in job-related income, and \$608,000 in tax revenue."
- Elimination of ancillary functions like FWS's operation of Henderson Field at Midway Atoll National Wildlife Refuge, which serves as a critical emergency landing site for trans-pacific flights, as well as the public's only window to the vast marine national monuments.

The loss of volunteer contributions will exacerbate these impacts. Currently, refuge Friends groups and volunteers do approximately 20 percent of all work on refuges. In fiscal year 2012, approximately 42,800 people spent nearly 1.6 million hours volunteering on refuges, a contribution worth an estimated \$34.7 million, or the equivalent of 766 full-time employees. This is only possible, however, if the Ref-

<sup>1</sup>Prior to fiscal year 2011, the Refuge System required an annual increase of \$15 million to cover rising costs and maintain management capabilities; a salary freeze for Federal employees has reduced the annual need to \$8 million.



uge System has sufficient staff resources available to train and oversee these volunteers. Because projected sequestration cuts will leave vacant staff positions unfilled and may force existing staff to be reassigned to higher priority duties, refuges are unlikely to retain the capacity to leverage such significant volunteer contributions in the years ahead.

Further, while we appreciate the funding that Congress provided for Hurricane Sandy relief, the Refuge System continues to feel the impacts of other natural disasters that have occurred over the past several years. Between fiscal year 2005 and fiscal year 2011, refuges sustained \$693 million in damages from natural disasters including hurricanes, flooding, tornadoes, fires, a tsunami, and an earthquake. Of that total, Congress appropriated \$254 million in emergency supplemental funding, but the Refuge System has been left to cope with the remaining \$439 million in damages—approximately 97 percent of its total Operations and Maintenance funding for fiscal year 2013.

We urge you to fund the Refuge System at \$499 million in fiscal year 2014—a level that serves to bridge the growing gap between what the System needs and what it receives, and that enables refuges to continue moving America forward. On behalf of our more than 15 million members and supporters, CARE thanks the subcommittee for the opportunity to offer comments on the fiscal year 2014 Interior, Environment, and Related Agencies appropriations bill, and we look forward to meeting with you to discuss our request.

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#### PREPARED STATEMENT OF THE COEUR D'ALENE TRIBE

On behalf of the Coeur d'Alene Tribe (Tribe), I am pleased to provide our recommendations for the fiscal year 2014 Interior, Environment, and Related Agencies spending bill. As explained below, the Tribe recommends that the subcommittee include bill language that authorizes the Secretary of the Interior to invest the \$1.9 billion already appropriated for the Indian land buy-back program and utilize the supplemental amounts to maximize the resources available under this program.

#### BACKGROUND ON THE COEUR D'ALENE TRIBE

The Coeur d'Alene Reservation covers 345,000 acres in northern Idaho, spanning the rich Palouse farm country and the western edge of the northern Rocky Mountains. The Reservation includes the Coeur d'Alene and St. Joe Rivers, and Lake Coeur d'Alene, which is considered one of the most beautiful mountain lakes in the world.

The Tribe's economy is based mostly on agriculture. The Tribe's 6,000-acre farm produces wheat, barley, peas, lentils and canola. The Reservation includes approximately 180,000 acres of forest and 150,000 acres of farmland, with most of the farmland owned by private farmers. Reservation land also produces about 30,000 acres of Kentucky Blue Grass. Logging is another important component of the economy and a source of revenue for the Tribe.

Most of the trust land on the Coeur d'Alene Reservation is fractionated. This means ownership of a single parcel is shared by more than one Indian owner with an undivided interest. Many parcels on the Reservation have more than 20 owners.

#### THE "COBELL" SETTLEMENT AND THE BUY-BACK PROGRAM

As the subcommittee is aware, the Claims Resolution Act of 2010 (CRA) provided for the settlement of the *Cobell v. Salazar* litigation. As part of the settlement, the CRA appropriated \$1.9 billion for the voluntary buy-back and consolidation of fractionated land interests. This program is administered by the Secretary through the Land Buy-Back Program for Tribal Nations ("Buy-Back" program).

The intent of the Buy-Back program is to acquire as many as possible of these small, fractionated interests from willing Indian sellers to reduce the burden and expense on the Department of the Interior in administering them and to prevent a future *Cobell* case. Under the terms of the settlement, any unspent amounts from the \$1.9 billion will revert to the U.S. Treasury after 10 years.

Of the \$1.9 billion that Congress has appropriated for the Buy-Back program, up to 15 percent (\$285 million) can be used for administrative costs and another \$60 million is set aside for a scholarship fund. Of the \$1.55 billion available to buy fractionated interests, the Secretary has tentatively allocated \$1,391,569,500 to 40

Indian tribes that would initially participate in the program.<sup>1</sup> The rest of the 526 federally recognized Indian tribes in the United States would share the remaining \$163,430,500 to repurchase interests on their respective reservations.

The Coeur d'Alene Tribe is not among the 40 tribes that the Secretary identified to initially participate in the Buy-Back program. Based on our analysis of the criteria that the Secretary used to select these 40 tribes, however, we believe that the Coeur d'Alene Tribe should have been included in this list and should have been allocated at least \$10 million to repurchase fractionated interests on the Coeur d'Alene Reservation.

The Tribe has contracted all of the land and realty programs from the Bureau of Indian Affairs (BIA) that would be involved in administering the Buy-Back program. The Tribe has operated these programs successfully for more than a decade and has developed and maintained records on its tribal lands that are superior to the BIA's records. Not only does the Tribe have the capacity to begin purchasing fractionated interests immediately, but it also has a waiting list of individuals who wish to sell their fractionated interests to the Tribe.

#### THE SECRETARY CANNOT MAXIMIZE THE \$1.9 BILLION BUY-BACK APPROPRIATION

Somewhat surprisingly, the CRA did not include any language that allows the Secretary to invest the \$1.9 billion and retain the earnings for the Buy-Back program. A significant portion of the \$1.9 billion will sit in an account for a period of years as the program is rolled out on reservations across the country. In the current budget climate, it only makes sense to maximize the amount of funds available to purchase fractionated interests by allowing the Secretary to invest the \$1.9 billion and to retain the supplemental earned amounts for the Buy-Back program.

Because the 10-year clock has already begun ticking for the \$1.9 billion principal to be spent, every fiscal year that goes by without this money being invested represents money and opportunity lost. Assuming that \$1.9 billion could be invested and were to earn even 1 percent annually, this would generate an additional \$190 million that could be used to purchase additional fractionated interests. These additional funds could be used by Coeur d'Alene and other similarly situated tribes that wish to participate in the Buy-Back program but were not included on the top 40 tribes list.

The Tribe has had discussions with officials at the Buy-Back program and staff from the Senate Committee on Indian Affairs regarding this issue, and they are aware that the Tribe is making this recommendation to the subcommittee.

Suggested bill language:

“The amounts comprising the Trust Land Consolidation Fund made available to the Secretary in section 101(e) of Public Law 111–291 may be transferred and invested by the Secretary in a manner consistent with the Secretary’s investment of tribal trust funds. The Secretary shall retain the supplemental amounts only for uses consistent with the Land Consolidation Program for the duration of the Trust Land Consolidation Fund.”

The above language would allow the Secretary to invest the \$1.9 billion in the conservative, federally guaranteed securities that the Secretary currently invests tribal trust funds in or deposit the proceeds in private banks. See 25 U.S.C. §§ 162a–162c. In 2012, the Secretary, through the Office of the Special Trustee (OST), invested \$4.4 billion in funds held in trust for the benefit of Indian tribes. OST has a division that exclusively handles these investments.

The language would also allow the supplemental earnings to be used by the Department only for the Indian land consolidation program. The capitalized terms are taken directly from and are defined in the CRA.

I appreciate the opportunity to provide this recommendation and would be happy to provide any additional information that the subcommittee may require.

#### PREPARED STATEMENT OF THE CHILDREN’S ENVIRONMENTAL HEALTH NETWORK

The Children’s Environmental Health Network (CEHN or the Network) is pleased to have this opportunity to submit testimony on fiscal year 2014 appropriations for the Environmental Protection Agency (EPA) and the Agency for Toxic Substances and Disease Registry (ATSDR).

<sup>1</sup>See Initial Implementation Plan, Land Buy Back Program for Tribal Nations (Dec. 12, 2012), at 11, available at <http://www.doi.gov/buybackprogram/upload/Initial-Implementation-Plan-508.pdf>.

The Network's mission is to protect the developing child from environmental hazards and promote a healthier environment. The Network's Board and committee members include internationally recognized experts in children's environmental health science and policy. We recognize that children, in our society, have unique moral standing.

American competitiveness depends on having healthy educated children who grow up to be healthy productive adults. Yet, growing numbers of our children are diagnosed with chronic and developmental illnesses and disabilities, such as obesity, asthma, learning disabilities, and autism. A child's environment plays a role in these chronic conditions and contributes to the distressing possibility that today's children may be the first generation to see a shorter life expectancy than their parents due to poor health. Thus, it is vital that the Federal programs and activities that protect children from environmental hazards receive adequate resources.

CEHN urges the subcommittee to provide funding at or above the requested levels for the following EPA activities: Office of Children's Health Protection; Children's Environmental Health Research Centers of Excellence; Office of Research & Development; School and Child Care Environmental Health; and the Pediatric Environmental Health Specialty Units.

CEHN also urges full funding of all activities that advance healthy school and childcare environments for all children, including those supported by ATSDR.

As epidemiologists see increasing rates of asthma, learning disabilities, and childhood cancers; as parents seek the causes of birth defects; as researchers understand more and more about the fetal origins of disease, policymakers must do a much better job of understanding and acting on the connections between children's health and the environments in which they spend their time.

These environments include, but go beyond, home, school, and childcare settings. A growing number of studies are finding unexpected impacts of prenatal environmental exposures on health in later years. For example, prenatal exposures to either a common air pollutant or a common pesticide have both been linked to lower IQs and poorer working memory at age 7.

Thus, all agencies should assure that their children's programs build on and respond to the growing evidence of the importance of prenatal exposures to a child's health and future.

#### EPA

A variety of factors, such as children's developing systems, their unique behaviors and differing exposures, mean that children can be more susceptible than adults to harm from toxic chemicals. Standards and guidelines that are based on adults cannot be assumed to be protective of children. The EPA programs of highest importance in the protection of children are described below.

*EPA's Office of Children's Health Protection.*—EPA's efforts to protect children from environmental hazards have been led by the Office of Children's Health Protection (OCHP) since 1997. Despite an effective track record, funding for OCHP has been level, at approximately \$6 million, since its creation. OCHP focuses on inter-agency work that promotes healthy housing and healthy children. These areas show that environmental interventions result in great cost savings, not to mention the health problems averted, such as asthma episodes and lead poisoning cases. The President's budget would add approximately \$1.2 million to OCHP and 6.8 full-time staff for coordinating work with States and districts. CEHN supports this increase in budget and staff.

*Children's Environmental Health Research Centers of Excellence.*—The Centers, jointly funded by EPA and NIEHS, play a key role in providing the scientific basis for protecting children from environmental hazards. With their modest budgets, which have been unchanged for more than 10 years, these centers generate valuable research. EPA's Office of Research & Development has indicated its commitment to the Centers in the budget language. A unique aspect of these Centers is the requirement that each Center actively involve its local community in a collaborative partnership, leading both to community-based participatory research projects and to the translation of research findings into child-protective programs and policies. The scientific output of these centers has been outstanding. It was these centers, for example, that generated the findings mentioned earlier about connections between prenatal exposures and lower IQ at age 7. We urge you to provide full funding for these Centers.

*Office of Research & Development (ORD).*—This office is critical in efforts to understand environmental impacts on children's health. EPA has pledged to increase its efforts to provide a safe and healthy environment for children by ensuring that all EPA regulations, standards, policies, and risk assessments take into account

childhood vulnerabilities to environmental chemicals. We encourage additional funds for research on children's issues in the 2014 budget. To truly raise such research to a priority level, where are measurable goals on this area of research? Where is the documentation of the amount and type of research conducted as well as how the protection of children is given priority throughout ORD? We ask that your subcommittee direct the office to improve transparency by tracking and reporting on the funding and research across the office dedicated to children's environmental health.

ORD's focus on sustainability in its work is commended; no truly sustainable development paradigm could be developed without protecting children and their future. Children's environmental health is an issue that cuts across all of ORD's programs. For example, EPA's National Health and Environmental Effects Research Laboratory scientists are protecting children's health through the development of cost-effective methods to test and rank chemicals for their potential to cause developmental neurotoxicity. Historic methods using laboratory animals are expensive and time consuming. To date, only a small number of the thousands of chemicals currently in commerce have been assessed for their potential toxicity and for their effects on children's developing nervous systems. These new testing methods can screen in hours to days instead of months to years and will provide faster, less expensive ways of assessing potential toxicity.

These new testing methods, however, do not replace the need for continued research in childhood exposures and health effects. Much of the research in this field cannot be conducted in a short time frame and requires sustained funding if scientists are to conduct research and measure effectiveness.

*School and Child Care Environmental Health.*—In America today, millions of infants, toddlers and preschoolers, often as young as 6 weeks, spend 40–50 hours a week in childcare. Yet, little is known about the environmental health status of the Nation's child care centers or how to assure that these facilities are protecting this highly vulnerable group of children. Environmental health is rarely if ever considered in licensing centers or training childcare professionals. Similarly, about 54 million children and nearly 7 million adults—20 percent of the total U.S. population—spend up to 40 hours per week inside school facilities every week. Unfortunately, many of these facilities contain unsafe environmental conditions that harm children's health and undermine attendance, achievement, and productivity. Thus, it is vital that EPA maintain and expand its activities for healthy school and child care settings, such as the Indoor Air Quality Tools for Schools program.

*Pediatric Environmental Health Specialty Units.*—Funded jointly by EPA and ATSDR, the Pediatric Environmental Health Specialty Units (PEHSUs) form a respected network of experts in children's environmental health, with a center in each of the U.S. Federal regions. PEHSU professionals provide medical consultation to healthcare professionals on a wide range of environmental health issues, from individual cases of exposure to advice regarding large-scale community issues. PEHSUs also provide information and resources to school, child care, health and medical, and community groups to help increase the public's understanding of children's environmental health, and help inform policymakers by providing data and background on local or regional environmental health issues and implications for specific populations or areas. We urge the subcommittee to provide adequate funding for both EPA's and ATSDR's portions of this program.

#### ATSDR

CEHN urges the subcommittee to provide funding at or above the requested levels for ATSDR activities. ATSDR uses the best science in taking public health actions, such as site assessments and toxicological profiles, to prevent harmful exposures and diseases of communities and individuals related to toxic substances.

ATSDR understands that in communities faced with contamination of their water, soil, air, or food, infants and children can be more sensitive to environmental exposure than adults and that assessment, prevention, and efforts to find remedies for exposures must focus on children because of their vulnerability and importance to the Nation's future. We support the full funding of ATSDR and the continuation of their varied responsibilities.

Children's health and healthy children must be ongoing priorities for this and every administration

We commend the EPA and ATSDR for their great progress in recognizing children's unique susceptibilities to environmental toxicants in the last several decades. Much more remains to be done, however. The Network urges the subcommittee to direct both agencies to assure that all of their activities and programs—including regulations, guidelines, assessments and research—specifically consider children.

EPA and ATSDR must always assure that children and other vulnerable sub-populations are protected, especially poor children, minority children, farmworker children, and others at risk.

Thank you for the opportunity to submit testimony on these critical issues, and thank you for your concern about the environmental health of children.

PREPARED STATEMENT OF THE CHOCTAW NATION OF OKLAHOMA

On behalf of Chief Gregory E. Pyle, of the Great Choctaw Nation of Oklahoma, I submit this written testimony on the fiscal year 2014 budgets for the Indian Health Service and Bureau of Indian Affairs. Although we are submitting testimony on the fiscal year 2014 budgets, we must comment on the fiscal year 2013 sequestration of discretionary programs. The sequester reductions to Tribal programs undermine Indian treaty rights and obligations—treaties which were ratified under the Constitution and considered the “supreme law of the land.” The ongoing contribution of tribal nations to the U.S. economy is the land on which this Nation is built. In exchange for land, the United States agreed to protect Tribal treaty rights, lands, and resources, including provision of certain services for American Indian and Alaska Native Tribes and villages, which is known as the Federal Indian trust responsibility. Indiscriminate cuts sacrifice not only the trust obligations, but they thwart Tribes’ ability to promote economic growth or plan for the future of Native children and coming generations.

The Choctaw Nation of Oklahoma is the third largest Native American Tribal government in the United States, with more than 208,000 members. The Choctaw Nation territory consists of all or part of 10 counties in southeast Oklahoma, and we are proudly one of the State’s largest employers. The Nation operates numerous programs and services under Self-Governance compacts with the United States, including but not limited to: a sophisticated health system serving more than 33,000 patients with a hospital in Talihina, Oklahoma, eight outpatient clinics, referred specialty care and sanitation facilities construction; higher education; Johnson O’Malley program; housing improvement; child welfare and social services; law enforcement; and many others.

INDIAN HEALTH SERVICE BUDGET REQUESTS

*Fully Fund Contract Support Costs (CSC) Consistent with the 2012 U.S. Supreme Court decision in the “Salazar” v. “Ramah Navajo Chapter” Case—\$5.8 million over fiscal year 2012 enacted*

While we are supportive of the increase included in the President’s budget, we are gravely alarmed and oppose the administration’s unilateral proposal, in its fiscal year 2014 budget request, to fundamentally alter the nature of tribal self-governance by implementing individual statutory tribal caps on the CSC payments. No change of such a fundamental character should be implemented until there has been a thorough consultation and study process jointly undertaken by the Indian Health Service (IHS), the Bureau of Indian Affairs (BIA). At the very least, Congress should maintain in fiscal year 2014 and fiscal year 2015 the status quo statutory language enacted in fiscal year 2013 so that tribally developed changes in contract support cost funding mechanisms, if any, can be included in the fiscal year 2016 budget. We respectfully request your support of the \$5.8 million increase included in the President’s fiscal year 2014 budget; and maintain the CSC status quo statutory language enacted in fiscal year 2013.

*Mandatory Costs—Provide \$403 million increase to maintain current services*

Mandatory cost increases are necessary to maintain the current level of services. These “mandatories” are unavoidable and include medical and general inflation, pay costs, phasing in staff for recently constructed facilities, and population growth. If these mandatory requirements are not funded, Tribes have no choice but to cut health services, which further reduces the quantity and quality of healthcare available to American Indian/Alaskan Native (AI/AN) people. We strongly urge full funding of \$304 million for Mandatory costs to address these ongoing fiscal responsibilities to maintain current services.

*Indian Health Care Improvement Fund—Provide \$10 million increase*

Funding for the Indian Health Care Improvement Fund (IHCIF) is a top Tribal budget priority. The purpose of IHCIF is to address deficiencies in health status and resources within the Indian health system and to promote greater equity in health services among Indian Tribes. The IHCIF directs funding through the Federal Disparity Index to the lowest funded operating units. The impact of the fiscal year 2010

\$45 million appropriation brought all operating units within the IHS to 45 percent Level Need Funded (LNF). The average Federal Disparity Index level among all IHS operating units is 55 percent. In December 2010, IHS estimated that it would cost \$217 million to raise all IHS sites to a minimum Level of Need Funded of 55 percent and \$394 million to reach a minimum of 65 percent. We respectfully request and urge you to provide an increase of \$10 million for fiscal year 2014.

*Purchased/Referred Care program formerly Contract Health Services (CHS)—Provide \$171.6 million increase*

Purchased/Referred Care program funds are used to purchase essential healthcare services, including inpatient and outpatient care, routine emergency ambulatory care, transportation and medical support services. These funds are critical to securing the care needed to treat injuries, heart disease, digestive diseases and cancer, which are among the leading causes of death for American Indians/Alaska Natives. We strongly urge an increase of \$171.6 million be provided for these Purchased/Referred Care services in fiscal year 2014.

*Alcohol & Substance Abuse Prevention (ASA) Services—Provide \$9.4 million increase*

ASAP exists as part of an integrated behavioral health program to reduce the incidence of alcohol and substance abuse in American Indian and Alaska Native communities and to address the special needs of Native people dually diagnosed with both mental illness and drug dependency. The ASAP program provides prevention, education, and treatment services at both the clinic and community levels. Services are provided in both rural and urban settings, with a focus on holistic and culturally based approaches. Youth Regional Treatment Center operations are also funded by this line item. We respectfully request and urge you to provide an increase of \$9.4 million for fiscal year 2014.

*Funding for Implementation of the Indian Health Care Improvement Act (IHCIA)*

Implementation of the IHCIA remains a top priority for Indian Country. IHCIA provides the authority for Indian healthcare, but does NOT provide any funds to IHS. The American healthcare delivery system has been revolutionized while the Indian healthcare system waited for the reauthorization of the IHCIA. Resources are needed to implement all provisions of the IHCIA. Adequate funding for the implementation of these provisions is needed.

*Office of Tribal Self-Governance—Increase \$5 million to the IHS Office of Tribal Self-Governance*

In 2003, Congress reduced funding for this office by \$4.5 million, a loss of 43 percent from the previous year. In each subsequent year, this budget was further reduced due to the applied congressional rescissions. As of 2013, there are 337 Self-Governance (SG) Tribes managing approximately \$1.4 billion in funding. This represents almost 60 percent of all federally recognized tribes and 33 percent of the overall IHS funding. The Self-Governance process serves as a model program for Federal Government outsourcing, which builds Tribal infrastructure and provides quality services to Indian people. We respectfully request an increase of \$5 million for the OTSG.

*Special Diabetes Program for Indians—Support 5-Year Reauthorization at \$200 million/Year*

The Special Diabetes Program for Indians (SPDI) was authorized in 1997 in response to an alarming and disproportionate high rate of type 2 diabetes in American Indians and Alaska Natives. SDPI funding has been at \$150 million since it was reauthorized in 2004. During this time nearly 400 Indian Health Service, Tribal and Urban (I/T/U) Indian health programs have assisted in developing innovative and culturally appropriate strategies, vital resources and tools to prevent and treat diabetes. Congressional funding remains the critical factor in the battle against diabetes and we request that you urge your colleagues on the Labor, Health and Human Services, and Education, and Related Agencies Appropriations Subcommittee to increase funding for the SDPI program, which is administered by the Indian Health Service.

BUREAU OF INDIAN AFFAIRS BUDGET REQUESTS

We greatly appreciate the work of this subcommittee to provide the support for Tribal programs. However, we must mention that comparing budget increases for the six largest agencies in the Department of the Interior (DOI) between fiscal year 2004 enacted to the fiscal year 2014 Presidents' request shows that the Bureau of Indian Affairs (BIA) has received the smallest percentage increase.

*Fully Fund Contract Support Costs (CSC) Consistent with the 2012 U.S. Supreme Court decision in the “Salazar” v. “Ramah Navajo Chapter” Case—\$9.8 million increase over fiscal year 2012 enacted*

While we are supportive of the increase included in the President’s budget, we are gravely alarmed and oppose the administration’s unilateral proposal, in its fiscal year 2014 budget request, to fundamentally alter the nature of Tribal Self-Governance by implementing individual statutory Tribal caps on the CSC payments. No change of such a fundamental character should be implemented until there has been a thorough consultation and study process jointly undertaken by the Indian Health Service (IHS), the Bureau of Indian Affairs (BIA). We respectfully request your support of the \$9.8 million increase included in the President’s fiscal year 2014 budget; and maintain the CSC status quo statutory language enacted in fiscal year 2013.

*Fully Fund Fixed Costs/Pay Costs—Provide \$8 million increase*

Most Federal agencies receive annual increases to their Fixed Costs rates each year to address inflationary costs associated with Fringe Benefits and Pay Costs. Historically, Tribes have been disadvantaged because they have never received Fringe Benefit Fixed Cost adjustments. At an estimated total Tribal salary level of \$380,624,156 in fiscal year 2013, a nominal Pay cost rate of 2 percent would require \$7.6 million. The current U.S. inflationary rate is 3.5 percent, and the cost-of-living-allowance (COLA) level was calculated to be 3.6 percent in fiscal year 2012. In fiscal year 2014, the Tribal Pay Cost need is estimated at approximately \$8 million to achieve parity with the general U.S. cost predictions.

*Tribal Priority Allocations—Provide \$89 million increase (10 percent over fiscal year 2012 Enacted)*

TPA remains one of the most important funding areas for Tribal governments because it covers such needs as economic development, general assistance, and natural resource management. However, for two decades, inadequate funding for Tribal priority allocations has hindered Tribes from fully exercising their right of Self-Governance. Severe underfunding has contributed to an array of social injustices in Tribal communities. We strongly encourage appropriate funding to fully cover these obligations in the fiscal year 2014 budget.

*Law Enforcement*

Fully fund all of the provisions of the Tribal Law & Order Act of 2010. Support the \$19 million increase in funding in the fiscal year 2014 President’s budget for BIA Public Safety and Justice.

*Office of Self-Governance (OSG)*

Provide increased funding to the OSG to fully staff the office for the increase in the number of Tribes entering Self-Governance.

In closing, on behalf of the Choctaw Nation of Oklahoma and Chief Gregory E. Pyle, thank you.

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PREPARED STATEMENT OF THE COLORADO RIVER BOARD OF CALIFORNIA

This testimony is in support of fiscal year 2014 funding for the Department of the Interior’s Bureau of Land Management (BLM) associated with the sub-activity that assists title II of the Colorado River Basin Salinity Control Act of 1974 (Public Law 93–320). This long-standing successful and cost-effective salinity control program in the Colorado River Basin is being carried out pursuant to the Colorado River Basin Salinity Control Act and the Clean Water Act (Public Law 92–500).

The Colorado River Board of California (Colorado River Board) is the State agency charged with protecting California’s interests and rights in the water and power resources of the Colorado River system. In this capacity, California participates along with the other six Colorado River Basin States through the Colorado River Basin Salinity Control Forum (Forum), the interstate organization responsible for coordinating the Basin States’ salinity control efforts. In close cooperation with the U.S. Environmental Protection Agency (EPA) and pursuant to requirements of the Clean Water Act, the Forum is charged with reviewing the Colorado River water quality standards every 3 years. The Forum adopts a Plan of Implementation consistent with these water quality standards. The level of appropriation being supported in this testimony is consistent with the Forum’s 2011 Plan of Implementation. The Forum’s 2011 Plan of Implementation can be found on this website: <http://www.coloradoriversalinity.org/docs/2011%20REVIEW-October.pdf>. If adequate funds are not appropriated, significant damages associated with increasing salinity con-

centrations of Colorado River water will become more widespread in the United States and Mexico.

The EPA has determined that more than 60 percent of the salt load of the Colorado River comes from natural sources. Due to geological conditions, much of the lands that are controlled and managed by BLM are major contributors of salt to the Colorado River system. Past management practices have led to human-induced and accelerated erosion processes from which soil and rocks have been deposited in various stream beds or flood plains. As a result, salts are dissolved and enter the Colorado River system causing water quality problems downstream.

Through passage of the Colorado River Basin Salinity Control Act in 1974, Congress recognized that much of the salts in the Colorado River originate on federally owned lands. Title I of the Salinity Control Act deals with the U.S. commitment to efforts related to maintaining the quality of waters being delivered to Mexico pursuant to the 1944 Water Treaty. Title II of the act deals with improving the quality of the water delivered to U.S. users. In 1984, Congress amended the Salinity Control Act and directed that the Secretary of the Interior develop a comprehensive program for minimizing salt contributions to the Colorado River from lands administered by BLM. In 2000, Congress reiterated its directive to the Secretary and requested a report on the implementation of BLM's program (Public Law 106-459). In 2003, BLM employed a Salinity Coordinator to coordinate BLM efforts in the Colorado River Basin States to pursue salinity control studies and to implement specific salinity control practices. With a significant portion of the salt load of the Colorado River coming from BLM-administered lands, the BLM portion of the overall program is essential to the success of the entire effort.

The BLM's budget justification document for fiscal year 2013 has stated that the BLM continues to implement on-the-ground projects, evaluate progress in cooperation with the U.S. Bureau of Reclamation (Reclamation) and the U.S. Department of Agriculture (USDA), and report salinity control measures in order to further the Plan of Implementation associated with the Federal Salinity Control Program in the Colorado River Basin. The BLM budget, as proposed in the BLM budget justification document, calls for six key performance goals within the BLM's Soil, Water, and Air Management Program. One of the goals is to reduce saline runoff from public lands into the Colorado River system by 10,000 to 20,000 tons of salt from new projects. Additionally, the BLM budget justification document reported a cumulative salt-loading reduction from ongoing BLM efforts in 2011 that totaled 126,000 tons per year. The Soil, Water and Air Management Program sub-activity is responsible for reducing the discharge of salts to waters of the Colorado River Basin to ensure usable water supplies to tens of millions of downstream users of which nearly 20 million are located in Southern California.

Congress has charged Federal agencies, including the BLM, to proceed with programs to control the salinity of the Colorado River. BLM's rangeland improvement programs can lead to some of the most cost-effective salinity control measures available. These measures significantly complement programs and activities being considered for implementation by Reclamation through its Basin-wide Program and by the USDA through its on-farm Environmental Quality Incentives Program.

The 2012 Colorado River Basin Salinity Control Advisory Council report states that the funding from BLM's Soil, Water and Air Program has been generally expended on studies, research, and implementation. These studies and research have successfully identified several different tools which could be used to reduce salinity contributions to the Colorado River from publicly administered lands. BLM's efforts are now transitioning toward implementation of salinity control. During the past several years proposals for implementation of salinity control specific efforts have exceeded more than \$1.5 million. The Advisory Council's 2012 report recommends that BLM make at least \$1.5 million available annually for salinity-specific activities in addition to the \$5.2 million expended under the Soil, Water and Air Program for general improvements within the Colorado River Basin. The Colorado River Board supports the Advisory Council's recommendation and urges the subcommittee to specifically designate \$1.5 million for the Colorado River Basin Salinity Control Program.

Over the 29 years since the passage of the Colorado River Basin Salinity Control Act, much has been learned about the impact of salts in the Colorado River system. Currently, the salinity concentration of Colorado River water causes about \$376 million in quantifiable damages in the United States annually. Economic and hydrologic modeling by Reclamation indicates that the quantifiable damages could rise to more than \$577 million by the year 2030 without the continuation of the Salinity Control Program. For example, damages can be incurred related to the following activities:



- A reduction in the yield of salt-sensitive crops and increased water use for leaching in the agricultural sector;
- A reduction in the useful life of galvanized water pipe systems, water heaters, faucets, garbage disposals, clothes washers, and dishwashers, and increased use of bottled water and water softeners in the household sector;
- An increase in the use of water for cooling, and the cost of water softening, and a decrease in equipment service life in the commercial sector;
- An increase in the use of water and the cost of water treatment, and an increase in sewer fees in the industrial sector;
- A decrease in the life of treatment facilities and pipelines in the utility sector;
- Difficulty in meeting wastewater discharge requirements to comply with National Pollutant Discharge Elimination System permit terms and conditions, an increase in desalination and brine disposal costs due to accumulation of salts in groundwater basins, and fewer opportunities for recycling and reuse of the water due to groundwater quality deterioration;
- Increased use of imported water for leaching and the cost of desalination and brine disposal for recycled water.

In addition, the Federal Government has made significant commitments to the Republic of Mexico and to the seven Colorado River Basin States with regard to the delivery of quality water pursuant to the 1944 Water Treaty. In order for those commitments to be honored, it is essential that in fiscal year 2014, and in future fiscal years, that the Congress continue to provide adequate funds to BLM for its salinity control activities within the Colorado River Basin.

The Colorado River is, and will continue to be, a major and vital water resource to the nearly 20 million residents of southern California, including municipal, industrial, and agricultural water users in Imperial, Los Angeles, Orange, Riverside, San Bernardino, San Diego, and Ventura Counties. The protection and improvement of Colorado River water quality through an effective salinity control program will avoid the additional economic damages to users in California and the other States that rely on Colorado River water resources.

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#### PREPARED STATEMENT OF THE COLORADO RIVER BASIN SALINITY CONTROL FORUM

Waters from the Colorado River are used by nearly 40 million people for municipal and industrial purposes and used to irrigate approximately 4 million acres in the United States. Natural and man-induced salt loading to the Colorado River creates environmental and economic damages. The U.S. Bureau of Reclamation (Reclamation) has estimated the current quantifiable damages at about \$376 million per year. Congress authorized the Colorado River Basin Salinity Control Program (Program) in 1974 to offset increased damages caused by continued development and use of the waters of the Colorado River. Modeling by Reclamation indicates that the quantifiable damages would rise to approximately \$577 million by the year 2030 without continuation of the Program. Congress has directed the Secretary of the Interior to implement a comprehensive program for minimizing salt contributions to the Colorado River from lands administered by the Bureau of Land Management (BLM). BLM funds these efforts through its Soil, Water and Air Program. BLM's efforts are an essential part of the overall effort. A funding level of \$5.2 million for general water quality improvement efforts within the Colorado River Basin and an additional \$1.5 million for salinity specific projects in 2014 is requested to prevent further degradation of the quality of the Colorado River and increased downstream economic damages.

EPA has identified that more than 60 percent of the salt load of the Colorado River comes from natural sources. The majority of land within the Colorado River Basin is federally owned, much of which is administered by BLM. In implementing the Colorado River Basin Salinity Control Act in 1974, Congress recognized that most of the salts in the Colorado River originate from federally owned lands. Title I of the Salinity Control Act deals with the U.S. commitment to the quality of waters being delivered to Mexico. Title II of the act deals with improving the quality of the water delivered to users in the United States. This testimony deals specific with title II efforts. In 1984, Congress amended the Salinity Control Act and directed that the Secretary of the Interior develop a comprehensive program for minimizing salt contributions to the Colorado River from lands administered by BLM. In 2000, Congress reiterated its directive to the Secretary and requested a report on the implementation of BLM's program (Public Law 106-459). In 2003, BLM employed a Salinity Coordinator to increase BLM efforts in the Colorado River Basin and to pursue salinity control studies and to implement specific salinity control practices. With a significant portion of the salt load of the Colorado River coming

from BLM administered lands, the BLM portion of the overall program is essential to the success of the effort. Inadequate BLM salinity control efforts will result in significant additional economic damages to water users downstream.

Concentration of salt in the Colorado River causes approximately \$376 million in quantified damages and significantly more in unquantified damages in the United States and results in poor water quality for United States users. Damages occur from:

- a reduction in the yield of salt sensitive crops and increased water use to meet the leaching requirements in the agricultural sector;
- increased use of imported water and cost of desalination and brine disposal for recycling water in the municipal sector;
- a reduction in the useful life of galvanized water pipe systems, water heaters, faucets, garbage disposals, clothes washers, and dishwashers, and increased use of bottled water and water softeners in the household sector;
- an increase in the cost of cooling operations and the cost of water softening, and a decrease in equipment service life in the commercial sector;
- an increase in the use of water and the cost of water treatment, and an increase in sewer fees in the industrial sector;
- a decrease in the life of treatment facilities and pipelines in the utility sector; and
- difficulty in meeting wastewater discharge requirements to comply with National Pollutant Discharge Elimination System permit terms and conditions, and an increase in desalination and brine disposal costs due to accumulation of salts in groundwater basins.

The Colorado River Basin Salinity Control Forum (Forum) is composed of gubernatorial appointees from Arizona, California, Colorado, Nevada, New Mexico, Utah and Wyoming. The Forum is charged with reviewing the Colorado River's water quality standards for salinity every 3 years. In so doing, it adopts a Plan of Implementation consistent with these standards. The level of appropriation requested in this testimony is in keeping with the adopted Plan of Implementation. If adequate funds are not appropriated, significant damages from the higher salt concentrations in the water will be more widespread in the United States and Mexico.

In summary, implementation of salinity control practices through BLM has proven to be a cost effective method of controlling the salinity of the Colorado River and is an essential component to the overall Colorado River Basin Salinity Control Program. Continuation of adequate funding levels for salinity within the Soil, Water and Air Program will assist in preventing the water quality of the Colorado River from further degradation and significant increases in economic damages to municipal, industrial and irrigation users. A modest investment in source control pays huge dividends in improved drinking water quality to nearly 40 million Americans.

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#### PREPARED STATEMENT OF THE COLUMBIA RIVER INTER-TRIBAL FISH COMMISSION

Mr. Chairman and members of the subcommittee, the Columbia River Inter-Tribal Fish Commission (CRITFC) is pleased to share its view on the Department of the Interior, Bureau of Indian Affairs' (BIA) fiscal year 2014 budget. We have specifically identified three funding needs and one request for review:

- \$49.5 Million for Rights Protection Implementation—of which \$7.7 million is for Columbia River Fisheries Management to meet the base program funding needs of the Commission and the fisheries programs of its member tribes, specifically to implement Federal court-ordered management obligations, including efforts for species listed under the Endangered Species Act, and \$4.8 million for United States/Canada Pacific Salmon Treaty to implement new obligations under the recent agreement adopted by the United States and Canada under the Treaty;
- \$340 million for Public Safety and Justice, Criminal Investigations and Police Services—of which \$718,000 supports enforcement of Federal laws at in-lieu and treaty fishing sites on the Columbia River. This supports the President's Request; and
- \$10 million for Cooperative Landscape Conservation to assist tribes nationwide in climate change adaptation and planning. We support the President's request.

CRITFC was founded in 1977 by the four Columbia River treaty tribes: Confederated Tribes of the Umatilla Indian Reservation, Confederated Tribes of the Warm Springs Reservation of Oregon, Confederated Tribes and Bands of the Yakama Nation, and Nez Perce Tribe. CRITFC provides coordination and technical assistance to these tribes in regional, national and international efforts to protect and restore our shared salmon resource and the habitat upon which it depends. Our collective

ancestral homeland covers nearly one-third of the entire Columbia River Basin in the United States.

In 1855, the United States entered into treaties with the four tribes<sup>1</sup> whereupon we ceded millions of acres of our homelands to the United States. In return, the United States pledged to honor our ancestral rights, including the right to fish. Unfortunately, a perilous history brought the salmon resource to the edge of extinction with 12 salmon and steelhead populations in the Columbia Basin listed under the Endangered Species Act (ESA).

Today, the CRITFC tribes are leaders in fisheries restoration and management working with State, Federal, and private entities. CRITFC's member tribes are principals in the region's efforts to halt the decline of salmon, lamprey and sturgeon populations and rebuild them to levels that support ceremonial, subsistence, and commercial harvests. To achieve these objectives, the tribes' actions emphasize "gravel-to-gravel" management including supplementation of natural stocks, healthy watersheds and collaborative efforts.

The programs in this testimony are carried out pursuant to the Indian Self-Determination and Assistance Act. Our programs are integrated as much as possible with State and Federal salmon management and restoration efforts.

#### COLUMBIA RIVER FISHERIES MANAGEMENT WITHIN RIGHTS PROTECTION IMPLEMENTATION

We are succeeding. The salmon, returning in greater numbers, tell us so. But along with success, management issues increase the complexity, requiring greater data collection and more sophisticated analyses. Funding shortfalls prohibit the achievement of tribal self-determination goals for fisheries management, ESA recovery effort, protecting nonlisted species, conservation enforcement and treaty fishing access site maintenance. We are seeking an increase of \$3,054,000 over fiscal year 2012 for a new program base of \$7,712,000 for Columbia River Fisheries Management.

The BIA's Columbia River Fisheries Management line item is the base funding that supports the fishery program efforts of CRITFC and the four member tribes. Unlike State fish and game agencies, the tribes do not have access to Dingell-Johnson/Pittman-Robertson or Wallop-Breaux funding. The increase will be directed to support the core functions of the fisheries management programs of the Commission's member tribes.

In 2008 CRITFC and its member tribes successfully concluded lengthy negotiations resulting in three landmark agreements: (1) the Columbia Basin Fish Accords with Federal action agencies overseeing the Federal hydro system in the Columbia Basin<sup>2</sup>; (2) a Ten-Year Fisheries Management Plan with Federal, tribal and State parties under *United States v. Oregon*; and (3) a new Chinook Chapter of the Pacific Salmon Treaty.<sup>3</sup> These agreements establish regional and international commitments on harvest and fish production efforts, commitments to critical investments in habitat restoration, and resolving contentious issues by seeking balance of the many demands within the Columbia River basin. While through these agreements the Tribes have committed to substantial on-the-ground projects with some additional resources from the Bonneville Power Administration, the overall management responsibilities of the tribal programs have grown exponentially without commensurate increases in BIA base funding capacity. For example, the tribes' leadership in addressing Pacific Lamprey declines is this species' best hope for survival and recovery. The tribes are also addressing unmet mitigation obligations, such as fish losses associated with the John Day and The Dalles dams.

Compounding the challenges in implementing tribal fish management agreements are the impacts that climate change will have on the interior Columbia Basin and the tribe's treaty resources. The University of Washington Climate Impact Group predicts new challenges to salmon management due primarily to thermal effects and runoff timing changes. The CRITFC is being asked to develop mitigation and adaption strategies on behalf of our member tribes. CRITFC and its member tribes currently have insufficient funds to do the technical work and allow policy-level participation in the co-management arena.

The funding provided through the BIA to support tribal fishery programs is crucial to the tribes' and CRITFC's ability to successfully carry out tribal rights protection, including these agreements, by providing sound technical, scientific and policy

<sup>1</sup> Treaty with the Yakama Tribe, June 9, 1855, 12 Stat. 951; Treaty with the Tribes of Middle Oregon, June 25, 1855, 12 Stat. 963; Treaty with the Umatilla Tribe, June 9, 1855, 12 Stat. 945; Treaty with the Nez Perce Tribe, June 11, 1855, 12 Stat. 957

<sup>2</sup> The Nez Perce Tribe is not a Columbia Basin Fish Accord signatory.

<sup>3</sup> See "Salmon Win A Triple Crown" at [http://www.critfc.org/text/wana\\_109.pdf](http://www.critfc.org/text/wana_109.pdf).

products to diverse public and private forums. Lost purchasing power through rising costs, inflation and lack of pay-cost adjustments to tribal funding has further challenged us to deliver these essential services.

UNITED STATES/CANADA PACIFIC SALMON TREATY UNDER RIGHTS PROTECTION  
IMPLEMENTATION

For tribal participants in the Pacific Salmon Treaty, the U.S. Section has identified a program need of \$4,800,000 for BIA.

The United States and Canada entered into the Pacific Salmon Treaty in 1985 to conserve and rebuild salmon stocks, provide for optimum production, and control salmon interceptions. The treaty established the Pacific Salmon Commission (PSC) as a forum to collaborate on intermingled salmon stocks. The U.S. Section of the PSC annually develops a coordinated budget for tribal, State and Federal programs to ensure cost and program efficiencies. Congress increased funding in 2000 in order to implement the 1999 Agreement but funding has significantly eroded since then. In 2008, the United States and Canada adopted a new long term Treaty agreement after nearly 3 years of negotiations. Both parties agreed to significant new management research and monitoring activities to ensure the conservation and rebuilding of the shared salmon resource.

The \$4.8 million provides for direct tribal participation with the Commission, panels and technical committees. The funding enables the tribes to assist in Treaty implementation and facilitates management protecting trust resources. This funding maintains tribal resource assessment and research programs structured to fulfill required Treaty implementation activities. The fiscal year 2014 recommended level for this program is an increase of \$600,000 above the fiscal year 2012 enacted level. Our request correlates to the U.S. Section's recommendation.

The tribal management programs provide needed beneficial and technical support to the U.S. Section. The Pacific Salmon Commission relies heavily on the various technical committees established by the Treaty. The work of these committees is integral to the task of implementing fishing regimes consistent with the Treaty and the goals of the Parties. Numerous tribal staff appointed to these committees and all of the tribal programs generate data and research to support their efforts. For example, indicator stock tagging and escapement monitoring provides key information for estimating the parties' annual harvest rates on individual stocks, evaluating impacts of management regimes established under the Treaty, and monitoring progress toward the Chinook rebuilding program started in 1984.

PUBLIC SAFETY AND JUSTICE, CRIMINAL INVESTIGATIONS AND POLICE SERVICES

Public safety continues to be a high priority for CRITFC and our tribes. Our conservation and criminal enforcement officers are the cornerstone of public safety in the popular and heavily used Columbia Gorge area patrolling 150 miles of the Columbia River, including its shorelines in Oregon and Washington. In this area we are the primary provider of enforcement services at 31 fishing access sites developed pursuant to Public Law 87-14 and Public Law 100-581 for use by treaty fishers. CRITFC's officers have obtained BIA Special Law Enforcement Commissions to aid our efforts protecting and serving tribal members and Federal trust properties along the Columbia River. We are grateful for the support of the BIA Office of Justice Services in obtaining the SLECs. We are also very pleased that the BIA has created OJS District 8 and housed it in Portland. Beginning in February 2011, CRITFC entered into a Public Law 93-638 contract with BIA for enforcement services along the Columbia River. That contract provides funding for two enforcement positions.

It's important that CRITFC build its enforcement capacity above the level of the two officers currently funded by the BIA Office of Justice Services. Our immediate priority is to add two officers. Funding for two additional officers would cost \$313,560 plus indirect. Full funding for this project would be a total budget of \$716,053 plus indirect which would support four officers, a sergeant and a dispatcher.

COOPERATIVE LANDSCAPE CONSERVATION

The Treaty Right is feeling the effects of Climate Change. Salmon run timing, berry and root ripening cycles are shifting. We support the President's request of \$10 million to implement the DOI Climate Change Policy approved on December 20, 2012 for the tribes, Alaskan Natives and Native Hawaiians. Specifically, these funds support the BIA Tribal Climate Change Program which will integrate climate change adaptation strategies into its policies and planning for support for the tribes, Alaska Natives and Native Hawaiians. The BIA needs these resources to support active engagement of tribes, Alaska Natives and Native Hawaiians in the Land-

scape Conservation Cooperatives and the Climate Science Centers and to ensure adequate Government-to-Government consultation on all issues with climate effects.

#### A REQUEST FOR REVIEW OF SALMON MASS-MARKING PROGRAMS

CRITFC endeavors to secure a unified hatchery strategy among tribal, Federal, and State co-managers. To that end, we seek to build hatchery programs using the best available science and supported by adequate, efficient budgets. A congressional requirement, delivered through prior appropriations language, to visibly mark all salmon produced in federally funded hatcheries should be reconsidered. We have requested that Federal mass-marking requirements, and correlated funding, be reviewed for compatibility with our overall objective of ESA delisting and with prevailing laws and agreements: *United States v. Oregon*, Pacific Salmon Treaty and the Columbia Basin Fish Accords.<sup>4</sup>

Salmon managers should be provided the latitude to make case-by-case decisions whether to mark fish and, if so, in the appropriate percentages.

In summary, through combined efforts of the four tribes supported by a staff of experts, we are proven natural resource managers. Our activities benefit the region while also essential to the United States obligation under treaties, Federal trust responsibility, Federal statutes, and court orders. We ask for your continued support of our efforts. We are prepared to provide additional information you may require on the Department of the Interior's BIA budget.

#### PREPARED STATEMENT OF THE CHUGACH REGIONAL RESOURCES COMMISSION

As Executive Director of the Chugach Regional Resources Commission (CRRC), located in Alaska, I am pleased to submit this testimony reflecting the needs, concerns and requests of CRRC regarding the proposed fiscal year 2014 budget. As is everyone, we are aware of the ongoing economic problems in the United States, and the growing concern over the Federal deficit. While the Government is trimming its spending, the Federal Government must still fulfill its legal and contractual spending obligations. The Bureau of Indian Affairs not only has a legal and contractual obligation to provide funding for the CRRC, but the CRRC is able to translate this funding into real economic opportunity for those living in the small Alaska Native villages located in Prince William Sound and Lower Cook Inlet.

We have reviewed the President's fiscal year 2014 budget and while we recognize and can appreciate the economic challenges set before you, we urge you to work together to pass an appropriations bill before the fiscal year end on September 30, 2013. The CRRC has yet to receive any of its fiscal year 2013 funding from the Bureau of Indian Affairs. We are a small Alaska Native nonprofit organization and as such, do not have the capital to carry the projects in the villages for an extended period of time. In order to keep the projects running, we had to obtain a \$100,000 line of credit from the bank. Given the time taken to pass a budget and the Department of the Interior's change to an electronic financial reporting system, the operations of CRRC projects and those of other tribal organizations have been placed in jeopardy. The process currently in place that allows this amount of time to pass before getting the much needed funding to the tribes must be improved.

We describe first, our specific requests and recommendations on the budget, and then why these are so important to us and the Alaska Native Villages and their members who we serve.

#### BUDGET REQUESTS AND RECOMMENDATIONS

*CRRC Funding.*—We are once again very pleased that the BIA has recognized the importance of natural resource funding for CRRC and has requested \$350,000 for CRRC in fiscal year 2014 as part of the Trust-Natural Resources program, Tribal Management/Development subactivity. In its fiscal year 2014 budget justification, the BIA recognized CRRC's role in developing the capabilities of its member Alaska Native Villages to better facilitate their active participation in resource use and allocation issues in Alaska. We urge the subcommittee to include CRRC funding as proposed by the BIA.

*BIA Trust-Natural Resources Management.*—We support the President's overall proposal to increase the BIA's Trust-Natural Resources Management programs, particularly the increases to Fish, Wildlife and Parks, and funding for projects that en-

<sup>4</sup>Letter from Bruce Jim, Chairman, Columbia River Inter-Tribal Fish Commission to U.S. House of Representatives Chairmen Frank Wolf, Mike Simpson and Doc Hastings, July 11, 2011.

gage youth in the natural sciences. We urge the subcommittee to support this funding and include it in the final bill.

*U.S. Fish and Wildlife.*—The President is proposing a significant increase to the U.S. Fish and Wildlife Service budget. Currently, tribes in Alaska manage migratory birds through the Alaska Migratory Bird Co-Management Council (AMBC), a regulatory body comprised of State, Federal and Native representatives who develop regulations for the spring-summer harvest of migratory birds. The funding for this management program is provided and administered by the U.S. Fish and Wildlife Service; however, this funding is provided by decision of the Region 7 Regional Director on an annual basis and is financially inadequate to address all of the migratory bird issues currently being addressed by the AMBC. We are requesting that \$1 million of the proposed increase to the USFWS budget be designated to the Alaska Migratory Bird Co-Management Council.

*Contract Support Costs.*—In regards to Contract Support Costs (CSC), the administration is proposing to cap fiscal year 2014 CSC payments to each Tribe. This action would reverse Supreme Court victories that directed the United States to honor fully Indian Self-Determination Act contracts and agreements. We do not support this proposed cap, nor do we support any amendments to the Indian Self-Determination through the appropriations process without any advance consultation with Indian and Alaska Native tribes.

#### JUSTIFICATION FOR CRRC'S BUDGET REQUESTS

The importance of adequate funding for these programs is based on the following.

*Chugach Regional Resource Commission History and Purpose.*—CRRC is a non-profit coalition of Alaska Native Villages, organized in 1987 by the seven Native Villages located in Prince William Sound and Lower Cook Inlet in South-central Alaska: Tatitlek Village IRA Council, Chenega IRA Council, Port Graham Village Council, Nanwalek IRA Council, Native Village of Eyak, Qutekcak Native Tribe, and Valdez Native Tribe. CRRC was created to address environmental and natural resources issues and to develop culturally sensitive economic projects at the community level to support the sustainable development of the region's natural resources. The Native Villages' action to create a separate entity demonstrates the level of concern and importance they hold for environmental and natural resource management and protection—the creation of CRRC ensured that natural resource and environmental issues received sufficient attention and focused funding. The BIA, in its fiscal year budget justification, summarizes CRRC's work, stating

“Initially, the emphasis of the CRRC natural resource program was on the development of fisheries projects that would provide either an economic base for a village or create economic opportunities for tribal members. In fiscal year 1996, CRRC initiated a natural resource management program with the objective of establishing natural resource management capabilities in the villages to facilitate their active participation in resource use and allocation issues that affect the tribes and their members. The success of these programs from both an economic and a social standpoint have made them an integral part of overall tribal development.”

Through its many important programs, CRRC has provided employment for up to 35 Native people in the Chugach Region annually—an area that faces high levels of unemployment—through programs that conserve and restore our natural resources.

An investment in CRRC has been translated into real economic opportunities, savings and community investments that have a great impact on the Chugach region. Our employees are able to earn a living to support their families, thereby removing them from the rolls of people needing State and Federal support. In turn, they are able to reinvest in the community, supporting the employment and opportunities of other families. Our programs, as well, support future economic and commercial opportunities for the region—protecting and developing our shellfish and other natural resources.

*Programs.*—CRRC has leveraged its \$350,000 from the BIA into almost \$2 million annually to support its several community-based programs. Specifically, the \$350,000 base funding provided through the BIA appropriation has allowed CRRC to maintain core administrative operations, and seek specific projects funding from other sources such as the Administration for Native Americans, the State of Alaska, BIA, U.S. Forest Service, U.S. Fish and Wildlife Service, the U.S. Department of Education, the Exxon Valdez Oil Spill Trustee Council, the North Pacific Research Board and various foundations. This diverse funding pool has enabled CRRC to develop and operate several important programs that provide vital services, valuable

products, and necessary employment and commercial opportunities. These programs include:

- Alutiiq Pride Shellfish Hatchery*.—The Alutiiq Pride Shellfish Hatchery is the only shellfish hatchery in the State of Alaska. The 20,000 square foot shellfish hatchery is located in Seward, Alaska, and houses shellfish seed, brood stock and algae production facilities. Alutiiq Pride is undertaking a hatchery nursery operation, as well as grow-out operation research to adapt mariculture techniques for the Alaskan Shellfish industry. The Hatchery is also conducting scientific research on blue and red king crab as part of a larger federally sponsored program. Alutiiq Pride has already been successful in culturing geoduck, oyster, littleneck clam, and razor clam species and is currently working on sea cucumbers. This research has the potential to dramatically increase commercial opportunities for the region in the future. The activities of Alutiiq Pride are especially important for this region considering it is the only shellfish hatchery in the State, and therefore the only organization in Alaska that can carry out this research and production.
- Natural Resource Curriculum Development*.—Partnering with the University of Alaska, Fairbanks, and the National Oceanic and Atmospheric Administration, CRRC has developed and implemented a model curriculum in natural resource management for Alaska Native students. This curriculum integrates traditional knowledge with Western science. The goal of the program is to encourage more Native students to pursue careers in the sciences. In addition, we are working with the Native American Fish & Wildlife Society and tribes across the country (including Alaska) to develop a university level textbook to accompany these courses.  
In addition, we have completed a K–12 Science Curriculum for Alaska students that integrates Indigenous knowledge with western science. This curriculum is being piloted in various villages in Alaska and a thorough evaluation process will ensure its success and mobility to other schools in Alaska.
- Alaska Migratory Bird Co-Management Council*.—CRRC is a member of the Council responsible for setting regulations governing the spring harvest of migratory birds for Alaska Natives, as well as conducting harvest surveys and various research projects on migratory birds of conservation concern. Our participation in this statewide body ensures the legal harvest of migratory birds by Indigenous subsistence hunters in the Chugach Region.
- Statewide Subsistence Halibut Working Group*.—CRRC participates in this working group, ensuring the halibut resources are secured for subsistence purposes, and to conduct harvest surveys in the Chugach Region.

#### CONCLUSION

We urge Congress to sustain the \$350,000 included in the BIA's fiscal year 2013 budget for CRRC. We further ask the subcommittee to support the President's requests for increased funding for the BIA's Trust Natural Resources Management and for the Fish and Wildlife Service, but to designate \$1 million of the proposed increase to the USFWS budget to the Alaska Migratory Bird Co-Management Council. We also urge Congress to reject the administration's proposal to cap CSC.

We appreciate the opportunity to submit this important testimony.

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#### PREPARED STATEMENT OF THE CONFEDERATED TRIBES OF THE COLVILLE RESERVATION

On behalf of the Confederated Tribes of the Colville Reservation (Colville Tribes or the CCT), I thank you for this opportunity to provide testimony to the subcommittee. My testimony offers three recommendations for the subcommittee to consider as it drafts the fiscal year 2014 spending bill. The first relates to the challenges that the Colville Tribes and other Indian tribes face in getting adequate staffing for facilities constructed under the existing programs administered through the Indian Health Service (IHS). The second would ensure that the \$1.9 billion that has already been appropriated for the Indian Land Consolidation program as part of the *Cobell v. Salazar* settlement can be invested to maximize the number of fractionated interests that can be acquired over the next 10 years. The third relates to law enforcement.

The Colville Tribes recommends that the subcommittee:

- include \$50 million for the Small Ambulatory Grant Program in the Indian Health Services, Health Care Facilities Construction account for fiscal year 2014 and allow for grants for short-term facility staffing from this program;

- include bill language that authorizes the Secretary of the Interior to invest the \$1.9 billion already appropriated for the Indian land consolidation program and utilize the supplemental amounts to maximize resources available under that program; and
- increase the Criminal Investigations and Police Services program (within the Operation of Indian Programs account) to the extent the subcommittee's allocation allows.

#### BACKGROUND ON THE COLVILLE TRIBES

Although now considered a single Indian tribe, the Confederated Tribes of the Colville Reservation is, as the name states, a confederation of 12 aboriginal tribes and bands from all across the plateau region of the Northwest and extending into Canada. The present-day Colville Reservation encompasses approximately 1.4 million acres and is located in north central Washington State. The Colville Tribes has more than 9,500 enrolled members, making it one of the largest Indian tribes in the Pacific Northwest. About half of the CCT's members live on or near the Colville Reservation. The Colville Reservation has more than 800,000 acres of forest land and forestry and wood products have been the CCT's traditional source of revenue.

#### THE SMALL AMBULATORY FACILITIES GRANT PROGRAM AND STAFFING NEEDS AT INDIAN HEALTH SERVICE FACILITIES

There are currently three paths to constructing a new health facility under the IHS system. The first is the priority list system, which has been in effect since the early 1990s and provides funding for construction of the facilities included on the list as well as 80 percent of the annual staffing costs. The second is the joint venture (JV) program, which generally requires an Indian tribe to pay the entire upfront cost of construction of a facility in exchange for IHS providing a portion of the annual staffing costs. The third is the Small Ambulatory Grant program (SAP), which is just the opposite of the joint venture program—IHS pays for the construction costs for the facility and the tribe is responsible for all staffing costs. The priority list has been closed since the early 1990s and the JV and SAP programs have been funded only sporadically during the past decade.

Like many Indian tribes with large service delivery areas, the Colville Tribes faces a health delivery crisis. The CCT's original IHS clinic in Nespelem, Washington, was constructed in the 1930s. The CCT tried in the 1980s and early 1990s to construct a new facility through the IHS priority list system. We understand that at one point, the CCT's request for a new clinic in Nespelem was near the top of the priority list but was removed because of concerns that the facility was a historical site. That priority list has been locked since 1991 and some IHS Area Offices, including the Portland Area (of which the CCT is a part), have never had any facility constructed under the priority list system.

Because the CCT's need for a new facility was so great and the priority list had been closed, the tribe ultimately was forced to utilize a variation of the SAP to construct a new facility. Of a total contract amount of \$4,693,000 for the Nespelem facility, the Tribe funded \$3,324,000 and IHS funded \$1,369,000, with no additional staffing package.

Despite the relatively new facility, the CCT has an ongoing issue with adequate staffing of the facility. Without sufficient staff the facility cannot treat patients to its full capacity. With the reauthorization of the Indian Health Care Improvement Act more opportunities exist for tribes to generate additional revenue through third party reimbursements. Additional staff are required to process these reimbursements, however, so the promise of additional revenue becomes a chicken and egg conundrum. With a short term infusion of funds for staff to maximize reimbursements, tribes would be in a position to make these reimbursements and accompanying staff self-sustaining. This would provide opportunities for tribes like the CCT that have staffing shortages to generate additional revenue from existing facilities and hire new staff.

The fiscal year 2014 request does not contain any funding for the SAP in fiscal year 2014. Indian tribes that desperately need new health facilities and staffing needs would benefit tremendously if this funding were made available in fiscal year 2014.

Suggested language:

“Changes to the request include \$50 million for the Small Ambulatory Program (SAP). The Committee directs IHS to provide eligibility for short term staffing packages for new or existing IHS facilities in implementing the SAP.”



ALLOW THE DEPARTMENT OF THE INTERIOR TO INVEST OR DEPOSIT IN PRIVATE BANKS  
THE \$1.9 BILLION ALREADY APPROPRIATED FOR THE BUY-BACK PROGRAM

As the subcommittee is aware, the Claims Resolution Act of 2010 (CRA) provided for the settlement of the *Cobell v. Salazar* litigation. As part of the settlement the CRA appropriated \$1.9 billion for the voluntary buy-back and consolidation of fractionated land interests, which is administered by the Department of the Interior (DOI) through the Land Buy-Back Program for Tribal Nations (Buy-Back program). The intent of the Buy-Back program is to acquire as many of these small, fractionated interests from willing Indian sellers as possible to reduce the burden and expense on DOI in administering them and to prevent a future *Cobell* case. Under the terms of the settlement any unspent amounts from the \$1.9 billion will revert to the U.S. Treasury after 10 years.

There has been tremendous interest in Indian country in the Buy-Back program since DOI unveiled its implementation plan earlier this year. DOI has identified 40 Indian tribes that would initially be able to participate in the program and many more not on that list have expressed interest in participating as well.

Somewhat surprisingly, the CRA did not include any language that allows DOI to invest the \$1.9 billion and retain the earnings for the Buy-Back program. A significant portion of the \$1.9 billion will sit in an account for a period of years as the program is rolled out on reservations across the country. It only makes sense to maximize the amount of funds available to purchase fractionated interests by allowing DOI to invest these funds and retain the supplemental earned amounts for the Buy-Back program. Because the 10 year clock has already begun ticking for the \$1.9 billion principal to be spent, every fiscal year that goes by without this money being invested represents money and opportunity lost.

Suggested bill language:

“The amounts comprising the Trust Land Consolidation Fund made available to the Secretary in section 101(e) of Public Law 111–291 may be transferred and invested by the Secretary in a manner consistent with the Secretary’s investment of tribal trust funds. The Secretary shall retain the supplemental amounts only for uses consistent with the Land Consolidation Program for the duration of the Trust Land Consolidation Fund.”

The above language would allow the Secretary to invest the \$1.9 billion in the conservative, federally guaranteed securities that the Secretary currently invests tribal trust funds in or deposit the proceeds in private banks. See 25 U.S.C. 162a–162c. In 2012, the Secretary, through the Office of the Special Trustee (OST), invested \$4.4 billion in funds held in trust for the benefit of Indian tribes. OST has a division that exclusively handles these investments.

LAW ENFORCEMENT

Finally, there is a constant need for additional funding for the Criminal Investigations and Police Services account within the BIA’s budget. There is a constant need for additional funding for the Criminal Investigations and Police Services account within the BIA’s budget, which funds tribal and BIA police officer salaries.

There are occasions when there is only a single tribal officer on duty for the entire 1.4-million-acre Colville Reservation. Repeated requests by the Colville Tribes to renegotiate its law enforcement 638 contract with the BIA have been rejected because of the lack of additional base funding, a point raised by Senator Barrasso at the May 29, 2013, Senate Committee on Indian Affairs hearing on the fiscal year 2014 request. Many other tribes are similarly situated.

The much heralded passage this year of the Violence Against Women’s Act reauthorization will provide those tribes with sufficient resources the ability to prosecute non-Indians for domestic violence offenses. But for the majority of tribes, this new authority will mean little if there are not enough police officers on the ground in the first place.

The fiscal year 2014 request includes a \$5.5 million increase for this account but the Colville Tribes encourages the subcommittee consider a larger increase to help bridge this gap to the extent the subcommittee’s allocation allows.

I appreciate the opportunity to provide these recommendations and would be happy to provide any additional information that the subcommittee may require.

## PREPARED STATEMENT OF THE CIVIL WAR TRUST

## INTRODUCTION

Mr. Chairman and members of the subcommittee, thank you for the opportunity to submit testimony. My name is James Lighthizer, and I am the president of the Civil War Trust. I respectfully request that the Senate Appropriations Subcommittee for Interior, Environment, and Related Agencies fund the Civil War Battlefield Preservation Program (CWBPP) at its authorized amount of \$10 million.

The Civil War Trust is a 55,000-member nonprofit organization—the only national one of its kind—dedicated to preserving America's remaining Civil War battlefields. To date, the Trust has permanently protected more than 35,000 acres of hallowed ground in 20 States.

CWBPP is an authorized competitive matching grants program that requires a 1 to 1 Federal/non-Federal match, although on most occasions the Federal dollars are leveraged much more than 1 to 1. The program has successfully promoted cooperative partnerships between State and local governments and the private sector to protect targeted, high priority Civil War battlegrounds outside National Park Service boundaries.

## BATTLEFIELD LANDS ARE OUR SHARED AMERICAN HERITAGE

Civil War battlefield lands are an irreplaceable part of our shared national heritage. Preserving these hallowed grounds not only keeps our history alive, but honors the soldiers who made the ultimate sacrifice to create the country we are today.

However, the living history that these sacred sites represent is shrinking fast due to development, and we estimate that 30 acres of battlefield land are lost every day.

When preserved, battlefields serve as outdoor classrooms to educate current and future generations of Americans about this defining moment in America's history. Preserved battlefields are also economic drivers for communities, bringing in tourism dollars that are extremely important to State and local economies. When these hallowed grounds are lost, they are lost forever.

This hearing is especially timely because of the ongoing sesquicentennial commemoration of the Civil War, in which millions will learn about our Nation's unique history by visiting Civil War sites around the country.

## ORIGINS OF THE PROGRAM

Since its inception, the Civil War Battlefield Preservation Program has focused on only the most historically significant battlefield sites, as determined by the Civil War Sites Advisory Commission's (CWSAC) 1993 "Report on the Nation's Civil War Battlefields." Congressionally authorized funding is for acquisition of properties outside NPS boundaries from willing sellers only; there is not—and never has been—any eminent domain authority.

Since the program was first funded in fiscal year 1999, grants have been used to protect 19,000 acres of hallowed ground in 16 States. Among the many battlefields that have benefited from this program are: Antietam, Maryland; Aversboro, North Carolina; Chancellorsville, Virginia; Chattanooga, Tennessee; Gettysburg, Pennsylvania; Harpers Ferry, West Virginia; Mill Springs, Kentucky; and Prairie Grove, Arkansas.

## URGENT NEED FOR FUNDING

We thank the subcommittee for its previous support for this valuable program. These funds have enabled private sector groups like the Civil War Trust to preserve many significant sites that would have been otherwise lost to history. We recognize that these are difficult economic times and appreciate the constraints on this subcommittee. However, the current 150th anniversary of the conflict is the most opportune time to provide robust funding for the Civil War Battlefield Preservation Program.

We estimate that in the next decade, most unpreserved Civil War battlefield lands will be either developed or protected. With time rapidly running out to save these hallowed grounds, full appropriation of the Civil War Battlefield Preservation Program will enable us protect as many key battlefield lands as possible in the limited time remaining.

## CONCLUSION

The Civil War was a defining moment in our country's history. For 4 long years, North and South clashed in hundreds of battles that reunited our Nation and

sounded the death knell for slavery. More than 625,000 soldiers and 50,000 civilians perished as a result of the war.

Protected battlefields not only honor the memory of our predecessors, but all of our Nation's brave men and women in uniform.

Mr. Chairman, I sincerely hope you and your subcommittee will consider our request to provide funding of the Civil War Battlefield Preservation Program at its authorized level of \$10 million. We look forward to working with you and other subcommittee members on battlefield protection. Thank you for the opportunity to address the committee.

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PREPARED STATEMENT OF THE DZILTH-NA-O-DITH-HLE COMMUNITY GRANT SCHOOL

*Request Summary.*—We, Ervin Chavez, School Board President, and Faye BlueEyes, Finance Director, are pleased to present the testimony of the Dzilh-Na-O-Dith-Hle Community School (DCGS) on the Navajo Reservation in Bloomfield, New Mexico. We will focus on four areas of particular concern to our School in the fiscal year 2014 funding requests for the Bureau of Indian Education (BIE) in the following budget categories:

- Oppose \$16 million in reductions to the Indian School Equalization Program Formula Funds account; provide full funding of \$431 million.
- Provide \$109 million in facilities operations and \$76 million in facilities maintenance as recommended by the National Congress of American Indians in its budget requests.
- Provide \$73 million to fully fund Tribal Grant Support Costs as recommended by the National Congress of American Indians in its Budget Requests.
- Restore Replacement School Construction account (\$17.8 million in fiscal year 2012).

BACKGROUND

DCGS is a tribally controlled grant school located in Bloomfield, New Mexico, approximately 170 miles northwest of Albuquerque, within the boundaries of the Navajo Indian Reservation. DCGS is primarily funded through appropriations received from the BIE, and pass-through funding from the Department of Education. Our school, which has been in continuous service since 1968, operates a K–8 educational program and a dormitory program for students in grades 1–12. Residential students in grades 9–12 attend the local public school. There are 220 students currently enrolled in our academic program, and 59 students are housed in campus dormitories. Our all-Navajo Board operates the DCGS through a grant issued by the BIE under the Tribally Controlled Schools Act. The DCGS mission is to make a difference in the educational progress of our students and we believe that all of our students are capable of achieving academic success. DCGS, however, has struggled with chronic underfunding of virtually each and every one of its educational and related programs. We describe below the impacts of the underfunding in several key areas.

*Oppose the \$16 million proposed reduction to Indian School Equalization Formula (ISEF) Funds account.*—The fiscal year 2014 budget request proposes a \$16 million (or 4.2 percent) reduction in ISEP formula funds, monies that are the main source of support for the academic component of our school. Most distressing is that the administration proposes to reallocate \$15 million of the ISEP reduction for a new school turnaround demonstration program that would be modeled on the Department of Education School Turnaround program. The proposed pilot program would provide grants to an undetermined number of BIE-funded schools who “demonstrate the strongest commitment to substantially raise” student achievement. Funding priority would be given to the BIE-funded schools that are in the restructuring category.

The DCGS strongly opposes this plan that would, according to the BIE estimates, reduce the base per pupil amount we receive from an estimated \$5,342.34 to \$5,162. As we have previously testified, we use the ISEP funds not only for the academic program needs but also to offset the shortfalls in the nonacademic School Operations costs that are also seriously underfunded—such as student transportation, maintenance, and administrative functions.

We urge you to recognize that despite our best efforts to stretch each and every dollar, such a drastic reduction in ISEP funding may result in even more schools not being able to provide the quality academic programs and instruction necessary to meet the adequate yearly progress requirements. We ask that Congress:

- Ensure the funding for the administration's proposed \$15 million school turnaround pilot program not reduce funding to the BIE-funded schools; and

—Reaffirm the United States’ trust responsibility to Indian students by fully funding ISEF, which would require at least \$431 million.

*Funding for Facilities Maintenance in the amount of \$76 million and Facilities Operations in the amount of \$109.8 million.*—Facilities Maintenance funds are intended to provide for the preventative, routine, and unscheduled maintenance for all school buildings, equipment, utility systems, and ground structures. As we previously testified, our school is, unfortunately, among the poorest-rated facilities (FCI of 0.4001). Without a significant increase in facilities maintenance funding, there is little doubt we will not be able to make much progress in addressing the myriad health and safety problems at DCGS, which include the closure of the restrooms servicing our junior high classrooms due to leaking sewer lines and corroded water lines. The water lines contain so much sediment due to the corrosion that drinking water must be trucked in for the students (an additional cost that most public schools do not face). According to the BIE, it would take at least \$7.7 million to fix all that is on the DCGS deferred maintenance backlog, and the replacement cost of our school facility would be \$19.1 million.

Despite the several years of gross underfunding for the facilities maintenance program, and aging facilities that require more and more upkeep, the BIE does not seek funding at a level that would begin to address the very large BIE-funded schools deferred maintenance backlog (estimated at \$304.4 million in fiscal year 2011). We note that in its fiscal year 2014 budget justification for eliminating new school construction account (funded at \$17 million in fiscal year 2012), the BIE claimed the action would enable it to focus on facilities maintenance and repair at all schools, a strategy that “recognizes the importance of a quality school environment to best meet the learning needs of Indian students.” However, the fiscal year 2014 Facilities Maintenance request of \$51.1 million is only \$441,000 above the fiscal year 2012 level but the increase is for Fixed Costs. Fixed Costs are for costs such as employee pay increases, Workers Compensation, Unemployment Compensation, and rents—not for addressing facility maintenance needs.

The BIE’s fiscal year 2014 Facilities Operations request of \$58.7 million (level funding) is for the ongoing operational expenses like electricity, heating fuels, communications, ground maintenance, refuse collection, water and sewer service, etc. Considering that the facilities operation expenses are currently funded at approximately 46 percent of need and that the costs of these essential services continue to escalate, we believe fiscal year 2014 request is grossly inadequate.

Unless the facilities operations and maintenance costs are funded at a realistic level in order that we can properly maintain and take preventive action, we will continue to be unable to provide our students staff a safe and healthy environment. We urge you to support the NCAI-recommended: \$76 million for facilities maintenance; and \$109 million in facilities operation funding.

*Funding for Tribal Grant Support Costs in the Amount of \$73 million.*—Tribal Grant Support Costs (TGSC), formerly known as Administrative Costs Grants, are funds provided to tribally operated schools to cover the administrative or indirect costs associated with the operation of a school. These costs include payroll, accounting, insurance, background checks, and other legal, reporting and recordkeeping requirements, including the preparation of required annual audits. Currently, 125 of the 183 BIE funded schools are operated by tribes or tribal school boards, with another 3 BIE-operated schools considering converting to grant status in fiscal year 2014.

In fiscal year 2012, the funding available for TGSC met only 64 percent of the need of the schools, which means that at 100 percent of TGSC need, DCGS should have received nearly \$700,000; instead, we received only \$445,000. For fiscal year 2014, the BIE requests a \$2 million increase for a total of \$48.2 million, which they estimate will provide a TGSC rate of 67 percent of need. This is still far below the 91 percent contract support costs that will be provided to non-school BIA contractors if Congress provides the full \$230 million CSC request. In addition, there is not a separate start-up fund for newly converting schools (although there may be an additional three conversions in fiscal year 2014) but for the BIA contractors, \$1 million is requested for the Indian Self Determination Fund, which provides start-up costs and CSC for the initial year of contract or compact.

Due to the tremendous shortfall, the DCGS has had to consolidate internal controls, streamline checks and balances, and significantly scale back in our management staff. Now, our business office has only two full-time staff to handle all the DCGS business-related functions, such as processing payroll for 90 on a biweekly basis; completing all the accounting; completing all tax reporting requirements; processing account payables-requisitions-purchase orders, and ensure conformance with all audit requirements.

We urge that Congress fix the inequity between TGSC and CSC funding by: fully funding TGSC at \$73 million for the indirect cost requirements of current tribally controlled schools, and provide \$2 million in start-up funds for newly converting schools.

*Restore Replacement School and Replacement Facility Construction accounts.*—The BIE does not request any funds for school construction, and only \$25.2 million of the requested \$48.4 million in Facilities Improvement and Repair to “correct priority deficiencies in schools identified in ‘poor’ condition based on the FCI.” The current state of facility conditions is that 34 percent of the 183 schools and dormitories for which BIE is responsible are rated in “poor” condition on the Bureau’s “Education Facility Condition Index for fiscal year 2012” (FCI). As explained above, the proposed reduction has been justified as the Department’s need to focus on facilities maintenance and repair at all schools. However, they do not request any programmatic increases that would substantially address the massive backlog of maintenance and repair needs. Under the proposed Education Construction funding, the FIC poor rated facilities would only decrease to 32 percent by the end of fiscal year 2014. We have already explained how DCGS facilities rated as “poor” by BIE will fare under the proposed funding levels.

The National Indian Education Association (NIEA), in its fiscal year 2014 testimony, estimated that it would take \$263.4 million to fully fund facility construction and repair. More importantly, the House Appropriations Committee advised that the BIE develop a new replacement school construction priority list and to request fiscal year 2014 funds for projects on the priority list. (See H. Rept. 112–589, p. 36.)

The Bureau has a process for evaluating school construction projects and placing them on a priority list for funding. No new projects, however, have been added to the list since 2004. Thus DCGS has not had the opportunity to make its case for a replacement school, which would be far more cost effective than spending at least \$7.7 million on repairs to maintain buildings that are 40+ years old. For these reasons, we urge Congress to: direct BIE to comply with congressional advisement to reopen the school construction priority process; and restore, at a minimum, the \$17.8 million to the Replacement School Construction account.

#### CONCLUSION

We ask Congress to provide the levels of education funding that will enable us to provide a quality education in a safe and secure environment for our students. We are grateful for any assistance you may provide.

#### PREPARED STATEMENT OF THE DEFENDERS OF WILDLIFE

Mr. Chairman, ranking member and members of the subcommittee, thank you for the opportunity to submit testimony for the record. Founded in 1947, Defenders has more than 1 million members and supporters and is dedicated to the conservation of wild animals and plants in their natural communities.

North America is fortunate to have some of the most abundant and diverse wildlife on Earth, more than 200,000 known species in the United States alone. This unique and irreplaceable heritage is treasured by all Americans both for its aesthetic value as well as for the very tangible benefits it brings as a resource. For example, a third of our food is pollinated by birds, bats, and insects; wildlife associated recreation generated \$145 billion in economic benefits in 2011<sup>1</sup>; bats provide at least \$3.7 billion to the agricultural industry in pest control services each year<sup>2</sup>; and the value of ecosystem services from habitat in the contiguous 48 States is estimated at \$1.6 trillion annually.<sup>3</sup> Federal programs that protect wildlife and habitat have been chronically underfunded. The full impact of sequestration on these programs is not yet known, but it is likely to be significant. Even worse, continued cuts will likely lead to irreversible harm to vulnerable species and habitat. Our Nation’s wildlife is a treasure and well worth the investment to properly care for it.

#### FISH AND WILDLIFE SERVICE

The U.S. Fish and Wildlife Service (FWS) is our Nation’s premier wildlife conservation agency. We were deeply disappointed that the agency received some of the

<sup>1</sup>The 2011 National Survey of Fishing, Hunting, and Wildlife Associated Recreation, USFWS, 12/12.

<sup>2</sup><http://www.sciencemag.org/content/332/6025/41.summary?sid=853248fd-6760-4341-93d0-2aeeab9ea450>.

<sup>3</sup>The Economics Associated with Outdoor Recreation, Natural Resources Conservation and Historic Preservation in the United States, Southwick Associates, 9/29/11.

largest percentage cuts in H.R. 6091, the fiscal year 2013 House Interior, Environment, and Related Agencies appropriations bill. FWS needs robust funding, not cuts, if it is to recover listed species and protect migratory birds and fish, species of global conservation concern and other trust species, and stop or prevent wildlife crimes.

*Renewable Energy.*—FWS must have robust funding for several programs to ensure that renewable energy development and associated transmission are sited in a way that prevents harm to species such as bald and golden eagles, bats, whooping cranes, California condors, seabirds, bats and desert tortoise. This includes funding for consultation in the Endangered Species program, inventory and monitoring in the Migratory Bird program, and proper enforcement of needed protections by the Office of Law Enforcement.

*Cooperative Recovery.*—The FWS has begun a praiseworthy new initiative to implement recovery actions for species listed under the Endangered Species Act on National Wildlife Refuges and surrounding lands. This requires targeted funding for several programs, including National Wildlife Refuges, Partners for Fish and Wildlife, Fisheries, Adaptive Science, and Endangered Species Recovery. This initiative supports more efficient efforts across landscapes to recover threatened and endangered species.

*Endangered Species.*—Conservation and recovery of imperiled species will be impossible without strong funding for the Endangered Species program. Funding is critically needed to support:

- Under the Listing program, progress in protecting approximately 180 candidates, many of which have awaited protection for years, including the red knot, Pacific fisher, Pacific walrus, New England cottontail rabbit, and other species desperately in need of protection;
- Under the Consultation program, evaluation of tens of thousands of projects to ensure they can move forward while not significantly harming listed species, a crushing workload for agency personnel;
- Under the Recovery program, work to restore more than 1,400 listed U.S. species so that ESA protection is no longer necessary;
- Under the Candidate Conservation program, development and implementation of effective measures to stabilize and improve the status of candidate species;
- Under the Cooperative Endangered Species Fund, the work of States to protect threatened and endangered species.

Defenders also strongly supports reinstatement of the Wolf Livestock Loss Demonstration Program currently funded through the Recovery program that assists livestock owners to co-exist with wolves. This valuable program is intended to both compensate ranchers for livestock losses due to wolves and to implement proactive, nonlethal methods to prevent future losses.

*National Wildlife Refuge System (NWRS).*—Our National Wildlife Refuge System is the largest land and water system in the world dedicated to wildlife conservation. Refuges provide enormous benefits to the American people, generating more than \$4.2 billion each year for regional economies. Many are located along our coasts where they serve valuable functions in protecting communities from floods and storm surges. Initial reports on probable sequestration impacts include the closure of 121 refuges or visitor facilities on weekends, reduced law enforcement, and the significant reduction or elimination of seasonal staff that are responsible for vital work such as protecting sea turtle and bird nests on beaches. The Refuge System deserves robust funding, not cuts. Even flat funding harms the System—just to maintain the management capability to operate properly—to fuel refuge vehicles and pay increasing utility bills, facilities rent, and other costs while not counting any cost of living increase for personnel—the Refuge System needs an annual increase of at least \$8 million. Moreover, in recent years, the Refuge System has absorbed about \$440 million in uncompensated funding from natural disasters, nearly the amount of a full year's funding.

*Cooperative Landscape Conservation and Adaptive Science.*—The increasingly large-scale and complex nature of threats to the conservation of our natural resources along with decreasing financial resources has created a need to work more effectively and efficiently across jurisdictional boundaries. This comprehensive initiative is helping natural resource management agencies improve landscape-level coordination of conservation efforts and provide science and technical capacity to tackle today's complex environmental problems. This program will also serve a key role in implementing the recently released National Fish, Wildlife and Plants Climate Adaptation Strategy, an effort that was directed by the Appropriations Committee in fiscal year 2009 and fiscal year 2010, that will help public and private decision-makers prepare for and reduce the current and future impacts of climate change on species, habitats, ecosystems, and the people and economies that depend on them.

*International Affairs.*—Funding is crucial to sustain vital efforts to provide crucial capacity building, education, and training for personnel responsible for priority species and habitats of global concern and for the increased permitting, research and monitoring workload for species subject to trade, including native U.S. species such as sturgeon and freshwater turtles.

*Office of Law Enforcement.*—The Washington Post recently highlighted the work of the Office of Law Enforcement in fighting illegal trade, breaking up smuggling rings, and other criminal activities that harm wildlife. Without robust funding, the program will be unable to maintain its highly trained force of special agents, inspectors, and forensic scientists.

*Migratory Bird Management.*—U.S. bird populations, including native Hawaiian birds, ocean birds, coastal shorebirds, and desert, shrubland, and grassland birds have experienced precipitous declines in recent years. Continued strong funding is critical to survey and monitor, reduce hazards, manage permits, and restore habitat for migratory birds.

*Other Key Grant Programs.*—Defenders supports continued needed funding for the Multinational Species Conservation Fund, for the Neotropical Migratory Bird Fund, and for the State and Tribal Wildlife grants.

#### FOREST SERVICE AND BUREAU OF LAND MANAGEMENT

The Bureau of Land Management (BLM) and the U.S. Forest Service (FS) are essential to the conservation of wildlife and habitat in the United States, yet their resources are not adequate to meet significant challenges. A top priority for Defenders is ensuring that renewable energy development on these lands proceeds in a balanced way that maintains the ecological integrity of our public lands and waters, conserves wildlife habitat and populations, and contributes to agency efforts to successfully recover our most imperiled wildlife. We urge strong oversight to ensure that any energy development is done in an environmentally sensitive fashion. Given their large land ownerships it is imperative that both participate fully in landscape level conservation and management efforts.

*FS Integrated Resource Restoration (IRR)/Wildlife and Fisheries Habitat Management.*—We expect that the administration will again propose merging a number of accounts, including Wildlife and Fisheries Habitat Management, into an integrated budget. However, Defenders supports maintaining strong funding for Wildlife and Fisheries Habitat Management and continuing IRR as a 3-year pilot as directed by Congress in the final fiscal year 2012 omnibus appropriations bill so that the agency can demonstrate its ability to adequately protect habitat for fish and wildlife under the consolidated program.

*FS Land Management Planning/Inventory and Monitoring.*—We also expect the budget to again propose merging these two programs into a single line item. As with IRR, we are concerned about such a consolidation unless the agency can demonstrate its ability to carry out its responsibilities under these two programs and urge continued discrete funding for each.

*FS Collaborative Forest Landscape Restoration Program (CFLRP).*—We support full funding of \$40 million for this proven cost-effective program that was established specifically to create job stability, achieve reliable wood supply, restore forest and watershed health, improve wildlife habitat, and reduce the costs of fire suppression in overgrown forests, and reduce the risk of uncharacteristic wildfires.

*FS Forest and Rangeland Research (FS R&D).*—Strong funding for FS R&D is crucial in providing relevant tools and information to support sustainable management of National Forest system lands as well as non-Federal forest lands.

*BLM National Greater Sage-Grouse Planning Strategy.*—We expect that the administration will again request \$15 million in the BLM Wildlife Management program specifically for sage-grouse conservation planning in 10 western States, which is an increase over prior years' funding for amending Resource Management Plans, inventorying, monitoring and mapping habitat, and conducting restoration. Almost half of all sagebrush habitat has been destroyed and remaining habitat is fragmented and degraded. Over the 42 years between 1965 and 2007, population decline was estimated at 3.1 percent each year. This modest funding increase is desperately needed to support a broad effort to reverse this iconic bird's decline.

*BLM Renewable Energy.*—Robust funding is important to continue regional land use planning studies and environmental reviews of potential wind energy zones. These studies will help to identify future renewable energy zones that will avoid areas with potential natural resource conflicts, including conflicts with sensitive wildlife species such as sage-grouse, eagles, and desert tortoise.

*BLM Resource Management Planning.*—Maintaining funding for Resource Management Planning is crucial to address 57 new plans which the agency expects to

complete within the next 3 to 4 years. Since 2000, the BLM has completed more than 74 RMP revisions and major plan amendments.

*BLM Challenge Cost Share.*—Defenders continues to support this program, one of the few sources of BLM funding for proactive wildlife and habitat conservation projects on the ground.

#### U.S. GEOLOGICAL SURVEY

The U.S. Geological Survey provides the basic science necessary for conservation of fish, wildlife and habitat. We urge support for robust funding in the following programs:

*Ecosystems.*—For crucial scientific information needed to soundly manage our Nation's biological resources including ongoing research on White Nose Syndrome that is devastating bat populations and work to assess impacts to wildlife, especially bats and birds, from the development and placement of wind energy projects and transmission from direct strikes, habitat fragmentation, and construction and maintenance of infrastructure.

*Climate and Land Use Change.*—Continued funding for the National Climate Change and Wildlife Science Center/DOI Climate Science Centers and Science Support for DOI Bureaus to address scientific needs in planning for adaptation to climate change.

#### LAND AND WATER CONSERVATION FUND

Finally, each day, 6,000 acres of open space in the United States, including wildlife habitat, is lost to fragmentation and destruction.<sup>4</sup> Once these lands are lost, they can never be recovered. Defenders supports continued strong funding for the LWCF. Thank you for the opportunity to testify.

#### PREPARED STATEMENT OF DANCE/USA

Mr. Chairman and distinguished members of the subcommittee, Dance/USA is grateful for this opportunity to submit testimony on behalf of our members across the United States. We urge the committee to designate a total of \$155 million to the National Endowment for the Arts (NEA) for fiscal year 2014. This testimony is intended to highlight the importance of the Federal investment in the arts, so critical to sustaining a vibrant cultural community throughout the country.

Dance/USA, the national service organization for the professional dance field, believes that dance is essential to a healthy society, demonstrating the infinite possibilities for human expression and potential, and facilitating communication within and across cultures. Dance/USA sustains and advances professional dance by addressing the needs, concerns, and interests of artists, administrators, and organizations. By providing national leadership and services, Dance/USA enhances the infrastructure for dance creation and distribution, education, and dissemination of information. To fulfill its mission, Dance/USA offers a variety of services to the field that fall under the categories of leadership and learning (conferences and professional development), information and research, and advocacy and visibility, and works with organizations within and outside the arts field with whom common goals are shared. Dance/USA's membership currently consists of more than 500 aerial, ballet, modern, ethnic, jazz, and tap companies, dance service and presenting organizations, individuals, and related organizations. Dance/USA's member companies range in size from operating budgets of under \$100,000 to more than \$50 million.

The NEA makes it possible for everyone to enjoy and benefit from the performing arts. Before the establishment of the NEA in 1965, the arts were limited mostly to a few big cities. The NEA has helped to strengthen regional ballet, opera, theater and other artistic disciplines that Americans now enjoy. NEA funding provides access to the arts in regions with histories of inaccessibility due to economic or geographic limitations. The Endowment embodies the ideal that no one should be deprived of the opportunity to have art in their lives. The Arts Endowment has helped the arts become accessible to more Americans, which in turn has increased public participation in the arts.

Despite diminished resources, including a budget that has decreased by almost \$30 million since 2010, the NEA awards more than 1,000 grants annually to non-profit arts organizations for projects that encourage artistic creativity and community accessibility. These grants help nurture the growth and artistic excellence of thousands of arts organizations and artists in every corner of the country. NEA

<sup>4</sup>[http://www.fs.fed.us/openspace/coop\\_cross\\_boundaries.html](http://www.fs.fed.us/openspace/coop_cross_boundaries.html).



grants also preserve and enhance our Nation's diverse cultural heritage. The modest public investment in the Nation's cultural life results in both new and classic works of art, reaching the residents of all 50 States and in every congressional district.

NEA grants are instrumental in leveraging private funding. On average, each dollar from an NEA grant generates at least \$8 from other sources. Government cultural funding plays a catalytic leadership role that is essential in generating private support for the arts.

THE NEA IS A GREAT INVESTMENT IN THE ECONOMIC GROWTH OF EVERY COMMUNITY

The return of the Federal Government's small investment in the arts is striking. The nonprofit arts industry generates \$135.2 billion annually in economic activity (\$61.1 billion by the Nation's nonprofit arts and culture organizations), supports 4.13 million full-time equivalent jobs, and returns \$22.3 billion in revenue to local, State, and Federal governments each year. Measured against collective arts allocations of \$4 billion, that's a return of more than five to one. Few other Federal investments realize such economic benefits, not to mention the intangible benefits that only the arts make possible. Even in the face of tremendous cutbacks in recent years, the NEA continues to be a beacon for arts organizations across the country.

The return on investment is not only found in dollar matches. The average city and county reports that nonprofit arts and culture organizations had 5,215 volunteers who donated 201,719 hours. These volunteer hours have a value of approximately \$4.5 million—a demonstration that citizens value the arts in their communities.

NEA GRANTS AT WORK

NEA grants are awarded to dance organizations through its core programs: Art Works; Challenge America Fast Track Grants; and Federal/State Partnerships. In 2013, the NEA funded or has recommended funding 174 grants, totaling almost \$4.1 million, to the dance discipline under the Art Works funding category. The following are some examples of the impact of NEA funding on dance programs from the NEA's 2013 Art Works Program:

*AXIS Dance Company, Oakland, California, \$10,000*

To support Dance Access and Dance/Access KIDS! Education and outreach programs. These activities will offer a variety of events for youth and adults with and without disabilities who are based locally and nationally.

*Ballet Austin, Austin, Texas, \$10,000*

To support the creation and presentation of *Snow White*, choreographed by Nelly van Bommel. The one-act ballet will be performed by Ballet Austin II dancers and will be van Bommel's third work for Ballet Austin.

*Dance Theatre of Harlem, New York, New York, \$30,000*

To support a national tour of the Dance Theatre of Harlem professional company. In addition to performances, the company will offer educational activities such as lecture demonstrations, master classes, and movement workshops.

*Jacob's Pillow, Becket, Massachusetts, \$100,000*

To support the presentation of artists representing diverse dance forms including Brazilian hip-hop, classical Indian dance, modern dance, and ballet, and the Creative Development Residency. Artists will include Wendy Whelan, Companhia Urbana de Danca, Shantala Shivelingappa, Dance Theatre of Harlem, and Tere O'Conner Dance, as well as two artists in the Creative Development Residency.

*North Carolina Dance Theatre, Charlotte, North Carolina, \$10,000*

To support the creation and world premiere of a new work by dancer and choreographer Jiri Bubenicek. Education and outreach programming will include presenting excerpts of Bubenicek's work in the Charlotte-Mecklenburg schools, as well as lecture-demonstrations that tie dance to core curriculum subjects.

*STREB, Brooklyn, New York, \$80,000*

To support the audience development and access programs Public/Action New York and Public/Action on Tour, based on Extreme Action, a method of movement developed by choreographer Elizabeth Streb. Performances and classes for students will take place at Streb lab for Action Mechanics (SLAM), the company's home in Brooklyn.

*Washington Ballet, Washington, DC, \$20,000*

To support the Washington Ballet's Community engagement Program. The company will offer low-cost dance training and free subsidized professional dance performances to Washington residents at the Town Hall Education, Arts and Recreation Campus (THE ARC), located east of the Anacostia River.

## THE NONPROFIT PROFESSIONAL DANCE COMMUNITY

America's dance companies perform a wide range of styles and genres. These include both classical and contemporary ballet, classical and contemporary modern, as well as jazz, tap, cross-disciplinary fusions and traditional to modern work rooted in other cultures. Over two-thirds of America's professional dance companies are less than 45 years old; as an established art form with national identity and presence, dance has burst onto the scene almost entirely within living memory. And yet, America can boast some of the greatest dance companies of the world and can take credit for birthing two indigenous dance styles—tap and modern dance.

One key to this spectacular achievement has been the creation of a national marketplace for dance. When the National Endowment for the Arts instituted its Dance Touring Program in the 1970s, great dance became accessible to every community in America. What used to be a handful of professional companies and a scattering of "regional" dance has become a national treasure spread across cities and through communities, schools and theaters in all 50 States. Based on data from almost 300 nonprofit dance companies from across the United States, Dance/USA estimates that dance companies:

- Employed over 13,400 people in a mix of full-time and part-time positions;
- Paid approximately \$334.9 million, or 53 percent of expenses, in wages and benefits;
- Earned 178.9 million, or 30 percent of their income, from performances;
- Received \$319.2 million, or 49 percent of their income in contributions (including public support, corporate contributions, foundation support, and individual donations);
- Generated more than \$631.7 million in economic activity across the United States.

## CONCLUSION

Despite overwhelming support by the American public for spending Federal tax dollars in support of the arts, the NEA has never recovered from a 40 percent budget cut in the mid-nineties and found its budget further decreased by almost \$30 million in the past 2 years, leaving its programs seriously underfunded. We urge you to continue toward restoration and reinstate the NEA funding allocation to \$155 million for fiscal year 2014.

On behalf of Dance/USA, thank you for considering this request.

## PREPARED STATEMENT OF THE 1854 TREATY AUTHORITY

## 1854 TREATY AUTHORITY

The 1854 Treaty Authority (Authority) is a tribal organization funded by a Public Law 93-638 contract with the Bureau of Indian Affairs under its Trust-Natural Resources Management-Rights Protection implementation budget.

- The Authority supports the administration's proposal of \$36,722,000 for BIA Rights Protection Implementation and the proposed allocation of \$888,000 for the Authority.
- The Authority supports the full finding of contract support for its Public Law 93-638, Self-Determination contract. The Authority believes that at least the \$231 million requested by the administration should be appropriated, but it does not support the administration's proposal to institute individual statutory caps on contract support. Not only have those caps been proposed without the consultation required for significant policy changes, the Authority has no funding source to make up for contract support shortfalls.
- The Authority supports funding the EPA Great Lakes Restoration budget at \$300 million.

The Authority is the tribal organization responsible for protecting, preserving, and regulating the Treaty-reserved hunting, fishing and gathering rights in the territory ceded to the United States by the Chippewa in the Treaty of September 30, 1854, 10 Stat. 1109. The Bois Forte Band and the Grand Portage Band created the authority following Federal court affirmation of the rights in 1988. As part of a court-

approved agreement with the State of Minnesota, the Bands have obligations to preserve the natural resources in the 5 million acre ceded territory and to regulate the activities of Band members through a conservation code, enforcement officers, and a court.

Although it has significant responsibilities in a geographic area the size of Massachusetts, the Authority has only 11 full-time employees. With those limited resources, the Authority has been able to collaborate with State, Tribal and Federal agencies to become a prominent presence in the conservation of resources critical to the subsistence hunting, fishing and gathering activities of the Chippewa.

However, the successes of the Authority are overshadowed by the challenges facing the trust resources that are at the heart of the Treaty right. The Minnesota moose population has declined precipitously in just a few years and for reasons unknown. Invasive species threaten the Treaty fishing and wild rice production areas across the ceded territory, and human activities continue to deplete or displace wild-life populations.

The Authority urges the committee and the Congress to acknowledge that the resources we seek to protect are trust resources, reserved in treaties that the United States has a legal obligation to protect and preserve.

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#### PREPARED STATEMENT OF THE EDISON ELECTRIC INSTITUTE

The Edison Electric Institute (EEI) respectfully submits this written testimony for the record to the Senate Appropriations Subcommittee on Interior, Environment, and Related Agencies. We appreciate this opportunity to share our views on some of the fiscal year 2014 programs for the Environmental Protection Agency (EPA).

The U.S. electric generation fleet is facing numerous challenges as a result of a range of EPA requirements. These EPA regulations include pending rulemakings on Clean Water Act section 316(b) cooling water intake structures, coal ash disposal, regional haze, steam-electric effluent limitation guidelines, and greenhouse gas new source performance standards, as well as other significant pending Clean Air Act regulations. These requirements are dramatically affecting individual utility decisions regarding the construction of new generation and the retrofitting and retirement of existing plants. Therefore, I am sharing with you our views on a number of these proposals that could significantly impact the ability of electric utilities to ensure an adequate, reliable and affordable supply of electricity for consumers.

#### CLEAN WATER ACT SECTION 316(B) COOLING WATER STRUCTURES RULE

In April 2011, EPA issued a proposed rule under section 316(b) of the Clean Water Act. The proposed rule, which EPA must finalize by June 27, 2013, will require changes in “cooling water intake structures,” physical structures through which cooling water is withdrawn, for the vast majority of America’s existing steam-electric generating plants and a wide range of manufacturing and industrial facilities. The proposed rule focuses on reducing fish and shellfish mortality attributable to “impingement” on intake structure screens and “entrainment” into cooling water systems. The proposal will have significant negative environmental, energy, cost, and local reliability impacts on a minimum of 650 electric generation facilities across the country.

Under the proposed rule, some facilities may be compelled to retrofit cooling towers at a nationwide cost estimated to be as high as \$100 billion. Many facilities will be required to retrofit technology, the costs of which will far exceed the benefits, potentially making those generating units uneconomic. The proposed impingement standards are not achievable at all existing facilities, and there is no valid environmental or biological justification for precluding site-specific flexibility for impingement as EPA has proposed for entrainment. The agency’s first Notice of Data Availability (NODA) concerning impingement mortality proposed a number of changes in the rule to address these concerns, such as allowing more flexibility and the inclusion of pre-approved technologies. EEI supports many of these proposed changes, as well as the proposed rule’s site-specific approach to entrainment reduction, and we continue to oppose any mandate to retrofit facilities with closed-cycle cooling.

However, EEI is very concerned with EPA’s second NODA, which proposes the use of a public opinion survey as a surrogate for well-established biological and economic analyses to estimate expected regulatory benefits. Industry does not believe willingness-to-pay surveys of this type are an appropriate tool for use in a national or regional context and should not be used by EPA to justify its final 316(b) rule. Further, the survey that EPA completed was flawed, misleading and inaccurate. It should therefore not be used to shape or implement the rule. EEI strongly urges the subcommittee to encourage EPA not to rely on the willingness-to-pay survey.

## COAL COMBUSTION PRODUCT REGULATION

EPA's Coal Combustion Residuals (CCR) rule is currently in proposed form. The agency has stated it wants to finalize the measure in 2014. EEI continues to advocate for the non-hazardous regulation of coal ash and is working to build bipartisan support for enactment of legislation during the 113th Congress.

In October 2011, the House of Representatives passed H.R. 2273, the Coal Combustion Residuals and Management Act, legislation that would have established minimum Federal requirements for the management and disposal of coal ash designed to protect safety, human health and the environment. The Federal criteria would have been administered by States through enforceable permits and by EPA if a State failed to meet the Federal baseline. The House included H.R. 2273 in the Surface Transportation Extension Act of 2012. Bipartisan, bicameral compromise coal ash provisions were developed during the House-Senate conference on the transportation bill; however, coal ash provisions were not included in the conference agreement. In August, 24 Senators—12 Democrats and 12 Republicans—introduced S. 3512, a bill virtually identical to the bipartisan CCR legislative package that was considered by Congress for inclusion in the transportation legislation. The text of S. 3512 passed the House in September 2012 as part of a separate legislative package.

EEI urges subcommittee support for a non-hazardous regulatory program for CCRs similar to the provisions contained in S. 3512. Such an approach would build on existing State regulatory programs and ensure proper disposal of CCRs in a cost-effective manner and without unintended consequences.

## REGIONAL HAZE PROGRAM

The Clean Air Act's Regional Haze program requires States to design State implementation plans (SIPs) with the intent of gradually making "reasonable progress" toward meeting a national goal of preventing future, and remedying existing, impairment of visibility in national parks over the next five decades. In part, States show reasonable progress toward this goal by requiring major stationary sources of emissions, like electric generating units, to install the "best available retrofit technology" (BART).

The Clean Air Act requires States to consider several factors when determining BART for a particular source. In 2005, EPA adopted guidelines to help States make BART determinations. These guidelines govern how EPA is to determine BART for a particular source. In cases where EPA has determined that a SIP does not meet minimum criteria, the agency may in some cases implement a Federal implementation plan (FIP) for that State.

EPA continues to take action on State regional haze plans and BART determinations. EEI and numerous member companies are engaging with the agency and other administration officials on both a programmatic and State-by-State basis.

In its implementation of the program, EPA is using outdated regulatory tools to assess projected air quality improvements and compliance costs. Last year, the House Appropriations Committee approved legislative language supported by EEI to address this problem. It stated that EPA should work with industry and other stakeholders to quickly update its regional haze tools and refrain from making important regulatory decisions based on outdated models and manuals.

EEI urges the subcommittee to adopt legislative language like that included by the full House committee last year requiring EPA to update its regional haze tools related to modeling air quality and estimating costs of environmental controls.

## EFFLUENT LIMITATIONS GUIDELINES RULEMAKING

Pursuant to a court order, on April 19, EPA released a proposed revision to the existing steam electric effluent limitation guidelines (ELGs), which it must finalize by May 2014. The proposal includes preferred options that would set strict performance standards that will force technological and operational changes at existing coal-based, nuclear, and natural gas-based combined-cycle generation facilities.

Wastewater treatment systems generally cost in the tens to hundreds of millions of dollars, depending on the size of the facility. The costs of wastewater treatment under the rule will vary according to the chosen technology, the volume of wastewater to be treated, and the level under EPA's revised ELGs of pollutant reduction required. The rule also could entail significant costs for converting to dry handling of fly ash at facilities that currently use wet handling. EEI estimates the cost of wet-to-dry conversion of fly ash handling to be \$43 billion over 20 years.

In addition, EPA is looking at equally stringent and costly measures for six other waste streams at steam electric facilities. For example, the rule may require conver-

sion of wet bottom ash handling to dry bottom ash handling and the physical/chemical biological treatment of ash landfill leachate. In certain circumstances, the preferred options may entail other significant costs, including the cost of treating water used to wash trucks and other equipment at all steam electric generating facilities as if it were a chemical solvent.

The cumulative cost impact of the effluent guidelines rule could be in the hundreds of billions of dollars. As a result, EEI requests the subcommittee to ensure that EPA bases its decisions on credible data and a full consideration of the economic challenges and obligations of the industry as a whole.

#### GREENHOUSE GAS NEW SOURCE PERFORMANCE STANDARDS

EPA is expected to finalize greenhouse gas (GHG) new source performance standards (NSPS) for new fossil fuel-based units late in 2013, perhaps after issuing a revised proposal. EEI's 2012 comments on EPA's proposed standards expressed concern that the NSPS effectively precludes the building of new coal-based powerplants and that, in many circumstances, even new natural gas combined-cycle (NGCC) units will have problems meeting the standard continually under normal, real-world operating conditions. Among other comments, EEI urged EPA to set a separate standard for new coal-based powerplants and to raise the emissions standard for new NGCC units or take other steps to address NGCC concerns.

Once EPA finalizes the new source standards, it is expected to develop draft State guidelines for existing (and probably modified and reconstructed) plants (collectively referred to as "existing plants") under section 111(d) of the Clean Air Act. It is important that any rulemaking minimize the impact on existing electric generating units that are already making significant investments to comply with the Mercury and Air Toxics (MATS) rule.

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#### PREPARED STATEMENT OF THE ENEWETAK/UJELANG LOCAL GOVERNMENT

Mr. Chairman and distinguished members of this subcommittee: Thank you for providing us this opportunity to the people of Enewetak to describe issues that relate to our ability to live on our homeland of Enewetak Atoll, which was used as a nuclear test site by the United States from 1947 to 1958.

As the only people ever resettled on a nuclear test site, we face many challenges. Life on Enewetak Atoll is made possible through support provided by the congressionally funded Enewetak Food and Agriculture Program. That program provides funding for imported food, an agriculture rehabilitation program, and the operation of a vessel. Funding is administered by the Department of the Interior. We request that funding for that program for fiscal year 2014 be increased by the amount of \$500,000, the same amount of increase as provided by Congress in fiscal year 2013. Also, we hope that this committee will support continued funding of the health program for the four nuclear affected atolls of which we are one, and funding for the environmental monitoring by the Department of Energy of the Runit Island nuclear waste site which is on our atoll.

Before we discuss the particulars of this request, we would first like to thank you, Mr. Chairman, and members of this committee, on behalf of the Enewetak people, for your support in funding the food and agriculture program for our people in the Compact of Free Association. We also thank you for your past support in assuring that the Enewetak Food and Agriculture Program is adequately funded, particularly your support for the \$500,000 increase for fiscal year 2013 and your approval of our request to purchase a replacement vessel during fiscal year 2008 from previously appropriated program funds.

As you know, Enewetak Atoll was the site of 43 of the 67 nuclear tests the United States conducted in the Marshall Islands. We were removed from our land by the U.S. Government to make that testing possible. We were exiled from our land for a period of over 33 years—a period in which we suffered near starvation, poor health, and lack of education.

In 1980, after a significant cleanup, soil rehabilitation, and resettlement effort undertaken by the United States, we were able to return and live on only a part of our land. A large part of our land and environment remain contaminated making it impossible for us to rely on our natural food resources and preventing us from developing a fishing or tourist economy.

We now live on a former nuclear test site. In fact, we are the only people ever resettled on a nuclear test site. The Enewetak Food and Agriculture Program makes life on Enewetak possible. And that is why we are so thankful to you for assuring funding in the minimum amount of \$1.5 million for the program in the Compact.

However, the program was funded at a level of approximately \$2 million in fiscal year 2013 and close to that amount for the past several years. That funding level needs to continue to maintain the minimum components of the program which include a soil and agriculture rehabilitation program, the importation of food, and the operation of a vessel. Therefore, we request your support for the additional \$500,000 for the program for fiscal year 2014 so that the components of the program will be funded in the total amount of \$20 million, as has been the case these past several years.

In 2008 we faced a challenge with regard to the transportation of food, material, equipment, supplies, and transport of people to and from our atoll. Our atoll is the most distant atoll from Majuro Atoll, the capital of the Marshall Islands. In fact, the distance between Majuro and Enewetak is 600 miles one way. All of our food, material, supplies, and equipment are sent to Majuro for further transshipment to Enewetak. Consequently, a reliable vessel is a lifeline for us. The vessel available to us up to fiscal year 2009 was so old that parts were difficult if not impossible to find. Therefore, we were in the market for a replacement vessel that would be even more suitable for voyages between Enewetak and Majuro than the vessel we had. We found a suitable vessel and greatly appreciate the approval provided by this committee to purchase the replacement vessel from previously appropriated program funds. That vessel was in service as of 2008 and provides the necessary sea transport to support each of the components of the program.

A final comment on the Enewetak Food and Agriculture Program: This program is a true success story. It allows us to live on our homeland while providing the resources which allow us to attempt to accomplish some of the rehabilitation required to transform part of the atoll from a severely damaged nuclear test site to a place that more resembles home. The additional \$500,000 to maintain current funding levels will ensure the continued success of this program.

Now we would like to briefly address the four atoll healthcare program. Funding for fiscal year 2014 is necessary to continue the program. We appreciate the funding for such program provided by the Congress in the amount of \$1 million for fiscal year 2013. However, continued funding is required to maintain the key elements of the program which provide for an on-site physician for each of the four atolls, necessary medicines and supplies, funding for a health aide for each atoll, and funding for care of the people of the four atolls at the hospitals in the Marshall Islands when required.

We also need to mention the nuclear waste site on Runit Island. That site was built by the United States and contains more than 110,000 cubic yards of material including plutonium and other radioactive debris. This site needs to be monitored to assure the integrity of the structure and to assure that no health risks from the radioactive waste site are suffered by us. To effect the foregoing, a long-term stewardship program of Runit Island needs to be implemented by the United States.

Finally we need to mention our just compensation claims which have yet to be addressed by the United States. As you can imagine, Enewetak was devastated by the 43 nuclear explosions. Over half the atoll requires radiological remediation. The entire atoll requires restoration. The Enjebi people need to be resettled on their home islands in the northern part of the atoll. The United States accepted responsibility for the damages it caused at Enewetak, and it agreed that the Nuclear Claims Tribunal was to determine just compensation for our people. That Tribunal has done so. Now the just compensation award must be addressed so that we have the resources to remediate our atoll and to provide our people with the compensation to which they are entitled for the loss of use of their land. We believe that the best way for Congress to address the claims of the Enewetak people is to have the matter referred to the United States Court of Federal Claims pursuant to the congressional referral process. That process will enable a body familiar with the type of claims examined and addressed by the Tribunal to again examine those claims, and the resulting awards, and provide a recommendation to Congress regarding disposition of the claims.

Again, Mr. Chairman, we thank you and members of this subcommittee for your support which makes life possible for us on our home atoll of Enewetak, and we thank you for your kind consideration of the requests made in this statement.

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PREPARED STATEMENT OF THE FOND DU LAC BAND OF LAKE SUPERIOR CHIPPEWA

I am Karen R. Diver, Chairwoman of the Fond du Lac Band of Lake Superior Chippewa. We appreciate the opportunity to provide testimony on fiscal year 2014 appropriations for the Indian programs funded through the Department of the Interior, Indian Health Service (IHS) and Environmental Protection Agency (EPA). The

Fond du Lac Band provides health, education, social, public safety and other governmental services to approximately 6,700 Indian people living on or near our Reservation in northeastern Minnesota. These programs are essential to our ability to educate our children, care for our elderly and infirm, prevent crime, and protect and manage natural resources. Because of this, we wish to express our deep concerns about the adverse impact of sequestration on our ability to provide these basic governmental services. We urge Congress to reach solutions on budget matters, and to fully fund the programs that are so critical to Indian country so that the most vulnerable communities are not hurt and the Federal Government fulfills its trust responsibilities to our people.

*BIA: Public Safety and Justice and Construction.*—We support the President's proposal to increase BIA funding for law enforcement as increased funding for law enforcement personnel is essential. We also urge Congress to increase funding for BIA Construction, as the facility that houses our Law Enforcement Department is completely inadequate for that purpose.

*Public Safety and Justice.*—We continue to face massive unmet needs for law enforcement. We provide law enforcement with a combination of tribal and available Federal funds and cooperative agreements with local law enforcement agencies. But methamphetamine, alcohol, illegal prescription drug use, and gang-related activity create huge demands on our Law Enforcement Department. Recently, we have seen a rather large and fast increase in gang activity. The convictions of several Native Mob members in March 2013 appear to have left a void in gang leaders, so, while gang activity has been on the rise over the years, lately gang activity has intensified with gang members trying to make names for themselves by whatever means necessary. The increase in crime is further illustrated by the fact that Fond du Lac had its first homicide since 2000 last year which, though not directly gang-related involved gang members and drugs. Another homicide occurred in Carlton County near the Reservation in 2012 which involved two tribal members and drugs.

We also face an epidemic in prescription drug abuse. Many of our elders and others are the victims of assaults and robberies that are drug related. Our law enforcement officers must respond to a large number of drug overdoses and deaths, as well as juvenile offenses involving drugs, alcohol, thefts, assaults and burglaries. They also respond to a wide range of other matters, for example, reports involving domestic disputes, disturbances, disorderly conduct, property damage, theft, medical emergencies, fire, neglected children, runaways, suicide threats, as well as numerous traffic-related matters. In 2012, our Law Enforcement Department responded to close to 5,100 incidents and requests for assistance—an increase from 4,900 in 2011.

To address these problems and ensure effective law enforcement coverage 24/7, we need to increase our law enforcement staff but lack sufficient funds to do this. We employ 13 patrolmen, 1 investigator, 1 school resource officer (assigned to the Ojibwe School), a Chief of Police, and 3 administrative staff. To the extent possible we schedule three officers per shift, but we do not have sufficient funds to do this around the clock. In fact, to effectively patrol the Reservation we should have 4 officers working each shift and a second investigator, for a total of 20 officers. Fewer officers on duty poses serious safety issues for both officers and the people we need to protect. The large number of calls for police assistance also means that we need more than one investigator.

*BIA Construction.*—Funding should be increased for BIA Construction. Fond du Lac needs a new facility for our law enforcement department. The Department is still housed in a six-room building, which we share with the Band's housing program. It has neither room for investigative interviews, nor office space for specialty positions such as investigators. The evidence room and reception area are all completely inadequate for law enforcement purposes and, with the increased number of calls we are receiving, are becoming more inadequate each day. A new building with a garage, along with a larger evidence room, storage room for recordkeeping, and a training room for officers, is essential.

*BIE: Education.*—We urge Congress to increase funding for Bureau of Indian Education (BIE) Elementary/Secondary School Programs. We rely on BIE funding for the operation of the Band's pre-K through grade 12 Ojibwe School which serves approximately 340 students most of whom are tribal members or descendants of tribal members. Most of our students come from very low income households, illustrated by the fact that more than 90 percent of our students qualify for free or reduced rate lunches. Although the President, in Executive Order 13952 (December 2, 2011) found “an urgent need” for Federal agencies to help improve educational opportunities for American Indian students because there has been “little or no progress in closing the achievement gap” between our students and all other students, funding for the BIE Elementary/Secondary School Programs is stagnant and

seriously underfunded. The modest funding increases made in fiscal year 2012 have been lost as a result of sequester. This is illustrated by the following table:

(In millions of dollars)

	ISEP	Tribal Grant Support Costs	School Facility Operations	School Facility Maintenance	Student Transportation
Fiscal year 2008 .....	.....	43.373	56.504	50.745	.....
Fiscal year 2009 .....	375.0	43.373	56.972	50.745	50.5
Fiscal year 2010 .....	391.699	43.373	59.410	50.745	50.808
Fiscal year 2011 .....	391.142	43.373	59.263	50.746	52.798
Fiscal year 2012 .....	392.306	46.373	58.659	50.746	52.739
Fiscal year 2013 w/sequester .....	369.9	45.8	55.7	48.4	50.3

Applying statute-generated needs formulas, we ask that BIE Elementary/Secondary School Program funding be increased as follows:

—*ISEP*.—Increase ISEP to \$479,758,000. ISEP is the primary source of school funding, covering salaries for teachers, teacher aides, and administrative personnel. ISEP is critical to our ability to recruit and retain qualified teachers and to cover shortfalls in other budget areas, such as transportation, facilities and maintenance.

—*Tribal Grant Support Costs*.—Increase TGSC to \$67,270,000. TGSC helps pay for accounting, insurance, background checks, legal and recordkeeping requirements. Inadequate funding of TGSC forces us to use ISEP and other funds to meet these needs.

—*School Facility Operations and School Facility Maintenance*.—Increase School Facility Operations to \$61,913,000, and School Facility Maintenance to \$79,137,000. Such funds keep our building in safe condition, pay for preventative and unscheduled maintenance, and cover insurance and increasing utility costs. Past funding has not kept pace with rising costs or the growing backlog of schools needing repair.

—*Student Transportation*.—Increase Student Transportation to \$56,212,000. This program has been historically underfunded. Without increased funding, the costs to maintain, repair, and replace buses and cover rising fuel costs must be paid from education program funds which are already over-obligated. Located in a rural area, Fond du Lac relies on buses to provide a safe and reliable means to get students safely to and from school.

—*School Construction and Repair*.—Provide an additional \$20 million for School Construction above current levels to stay ahead of BIE's reported \$70 million annual deterioration rate. BIE reports a \$3.4 billion school replacement need. Research studies continue to document a link between inadequate facility conditions and poor performance by students. Not addressing these critical infrastructure needs will only jeopardize student and staff safety.

*BIA: Trust—Natural Resources Management*.—We very much appreciate the funding for BIA Natural Resource programs that Congress has provided in past years and strongly support the proposed increase for these programs contained in the President's fiscal year 2014 budget. Natural resources are vitally important to our tribal members. They provide the foundation for our culture, meet subsistence needs, and provide employment. The Fond du Lac Band's right to access natural resources within and outside our Reservation was reserved by Treaties with the United States in 1837, 1842, and 1854 and reaffirmed by the courts. In connection with these Treaty rights, the Band is responsible for managing natural resources and for enforcing Band conservation laws that protect those natural resources by regulating tribal members who hunt, fish, and gather those resources both within and outside the Reservation.

Base program funding is essential for that work. Fond du Lac routinely partners with State, Federal, and tribal organizations to conduct research and management activities. We request that \$2 million be added to our base budget for Resource Management programs, as funds for this program have not been increased since 1991. We also request that Congress provide funding to the BIA Tribal Government account as recommended in the President's fiscal year 2014 budget. This account provides Self Governance funding that is vital to the operation of our Forestry, Fisheries, Wildlife, and Natural Resources Programs.

We urge Congress to increase funding for the U.S. Fish and Wildlife Service's State and Tribal Wildlife Grant Program, and we support the President's proposed funding for Tribal Historic Preservation Offices and the EPA Great Lakes Restoration Initiative. Finally, as a member of the Great Lakes Indian Fish & Wildlife Commission, the Band supports the Commission's request for BIA Great Lakes Area



Management funding of \$7.067 million and EPA funding of \$1.2 million to continue its long-standing treaty rights protection and implementation program on behalf of its member Tribes.

*BIA: Human Services.*—We urge Congress to increase funding for Human Services programs to address the impact that the methamphetamine epidemic has on not only public health and safety, but also on child protection, child welfare and foster care services.

*Indian Health Service.*—We fully support the President’s proposed increase in funding for the Indian Health Service and appreciate the commitment that the administration and Congress have made to address the funding needs for healthcare in Indian country. The President’s proposed increase is essential to address the high rates of medical inflation and the substantial unmet need for healthcare among Indian people. Indians at Fond du Lac, like Indians throughout the Nation, continue to face disproportionately higher rates of diabetes and its associated complications, than the rest of the population. Heart disease, cancer, obesity, chemical dependency and mental health problems are also prevalent among our people. All Indian tribes should receive 100 percent of the Level of Need Formula, which is absolutely critical for tribes to address the serious and persistent health issues that confront our communities. The Band serves over 7,000 Indian people at our clinics, but the current funding level meets only 42 percent of our healthcare funding needs.

As the epidemic of prescription drug abuse grows across the country, the IHS needs resources to expand its treatment and community education capacity. We are especially disappointed with the Pharma-driven position SAMHSA has followed for the past several years regarding Methadone Assisted Therapy (MAT). Many poorly administered MAT programs are pouring unprecedented amounts of cheap, liquid Methadone into Indian communities with very destructive results. In 2013, two-thirds of the babies delivered by Fond du Lac Nurse-midwives were born to Methadone dependent mothers. Research has shown that methadone users are cognitively impaired, but no research has been done on children born to Methadone users. Meanwhile, thousands of American Indians are falling victim to the chemical slavery now sponsored by SAMHSA. Additional funding for the Methamphetamine, Suicide Prevention Initiative should be made available to tribes and the IHS so that this “new sickness” can be addressed. Best practices in pharmacy inventory and prescription monitoring need to be modeled and replicated throughout Indian country. Related to this is the fact that more and more Government agencies are expecting local units of governments, including Tribes, to address these problems and the increasing number of individuals who become homeless as a result of them, through the operation of supportive housing. But Fond du Lac, like most tribes, lacks the financial resources to establish new program initiatives, like supportive housing, without assistance from the Federal Government. We urge Congress to support programs through the IHS or the BIA that would fund supportive housing for tribes in every area of the country.

Miigwech. Thank you.

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PREPARED STATEMENT OF THE FEDERAL FOREST RESOURCE COALITION

The following testimony is submitted on behalf of the Federal Forest Resource Coalition on the budget for the USDA Forest Service and the Bureau of Land Management. The FFRC represents purchasers of Federal timber in 27 States, with over 650 member companies and affiliated associations, collectively representing over 350,000 working men and women around the country.

We make the following specific programmatic recommendations for fiscal year 2014:

- restore the Forest Products line item to the pre-sequester fiscal year 2013 level of \$337 million;
- restore the Hazardous Fuels line item to the fiscal year 2011 level of \$340 million; and
- restore Forest Roads line item to the fiscal year 2011 level of \$236 million.

We make these recommendations after a cursory review of the President’s budget proposal, which, like you, we only saw last week.

*Impacts of Sequester and CR.*—While we appreciate the support this subcommittee has shown for forest management in the past, we must point out our serious concerns with the priorities established for the Forest Service as a result of the sequester and subsequent continuing resolution. While it appears that some regions of the Forest Service are doing their best to continue offering an expanded timber sale program, the reductions resulting from the sequester and the continuing resolution will inevitably result in reduced outputs. Administration estimates sug-

gest that the sequester will result in a 15 percent reduction in timber offer levels, which will result in the loss of more than 7,000 jobs in some of the poorest counties in America.

Our member mills have weathered the worst recession our industry has seen since the great depression, a recession which is widely acknowledged to have hit housing harder than any other sector. Although forest product demand has been slowly increasing for the last 18 to 24 months, the loss of national forest timber volumes will stall this growth as these mills struggle to find timber to meet this demand. Moreover, the markets these mills create enable the U.S. Forest Service to perform the forest health and wildfire prevention so badly needed on our national forests.

For the sequester to force unnecessary mill closures and further job losses in our hard hit rural communities is unconscionable. By further reducing forest management and capital improvement spending in the continuing resolution, Congress and the President are setting exactly the wrong priorities for the Forest Service and the Bureau of Land Management.

The Chief of the Forest Service has testified before Congress that the agency has between 50 million and 80 million acres in need of active management, with 45 million acres being decimated by bark beetles in the Rocky Mountains alone. Further, the agency's budget presentation states that they have a \$6 billion maintenance backlog, up from \$5.3 billion in 2012. This backlog does not just affect the roads my members depend on to access timber, but the trails, campgrounds, and visitor centers millions of Americans use for recreation. To cut these programs further goes right to the heart of the visitor experience and raises serious questions about the Government's continued commitment to manage these lands for the greatest good.

*Increasing Efficiency in NFS Management.*—As an industry, we have learned how to economize, reducing costs and doing “more with less.” We recognize that the Nation's fiscal situation demands austerity, and we have engaged from day one in a dialogue with the Federal land managers to find ways to reduce costs, increase efficiency, and this subcommittee has helped with several of those efforts. For example, you led the way in replacing a cumbersome administrative appeals process with a streamlined objection process, and last year proposed expanded authority to use more effective sale administration techniques to help reduce costs.

We strongly urge you to continue these efforts by expanding the relief from administrative appeals to all projects which the agency finds are categorically excluded from further NEPA review. We urge you to push the U.S. Senate to agree to provisions allowing designation by description. However, unless Congress prioritizes land management by reinvesting in timber management, hazardous fuels reduction, and maintenance of the basic forest infrastructure, our Federal lands will continue to deteriorate and our rural communities will remain stuck in what is becoming an alarmingly durable cycle of poverty.

As noted, we recommend restoring the budgets of the three programs noted earlier. All told, these restorations would cost the subcommittee roughly \$75 million. Presently, this is far less than is being proposed for several land acquisition programs within this spending bill. We stand ready to work with the committee to identify further efficiencies in the way the Forest Service manages their timber lands. However, Congress cannot ignore its responsibility to set priorities, and clearly we have arrived at a point where we must prioritize the management of the lands and facilities already under Federal ownership.

We recommend the following to expedite management, reduce delays, and increase accountability:

- direct the Forest Service to meet their forest products output targets using only commercial products such as sawlogs, pulpwood, and commercial biomass, not personal use firewood;
- allow and encourage the agency to focus higher yielding forest management projects on lands designated in existing forest plans as suitable for timber production; and
- provide expedited authority to conduct needed forest management projects on lands identified as being at significant risk of wildfire, either on agency forest health maps or in community wildfire protection plans.

We were very thankful to the subcommittee for including national direction to the Forest Service to increase timber outputs from 2.4 billion board feet to 3 billion board feet in 2012. As you are aware, the Forest Service achieved 2.6 billion board feet, although about 11 percent of that was personal use firewood. We urge the subcommittee to continue increasing the pace and scale of forest restoration, and set a goal of 3.5 billion board feet (exclusive of personal use firewood) for fiscal year 2014.

The current annual harvest from the National Forests represents less than 10 percent of annual forest growth, and less than half the allowable sale quantity under existing forest plans. In many regions, the Forest Service is falling short of its own management goals; including in reacting to the bark beetle outbreak in the Rockies and in managing aspen habitat in the Lake States. Stepping up management, through formal collaboratives where they exist and normal timber programs elsewhere, will help address pressing forest health concerns while helping bolster employment in rural communities where unemployment is frequently near 20 percent and poverty is well above State averages. Investing in the Forest Service timber program is a very effective job creator, generating 16.5 new direct and indirect jobs per million board feet harvested.

*Forest Roads, Hazardous Fuels Reduction.*—It is also urgent that the subcommittee restore funding which has been cut since 2010 from the Capital Improvement and Maintenance Account, as well as the Wildland Hazardous Fuels Reduction program. As noted, these programs were reduced in the sequester and then cut further by the continuing resolution. These two programs are vital to maintaining access to the National Forests and in helping to reduce the massive, 90 million acre backlog of lands which urgently need hazardous fuels reduction. The work cannot be done economically without the ability to use the Forest Service road system.

We appreciate the efforts of the subcommittee to remove the arbitrary requirements for hazardous fuels reduction work in the Wildland Urban Interface (WUI). A greater percentage of lands in need of fuels reduction are outside of the WUI, and mechanical thinning allows the Forest Service to take advantage of the wood products infrastructure to reduce treatment costs. Extensive Forest Service research shows that mechanical thinning (which includes removing useable wood fiber) followed by prescribed fire is the best approach to significantly reduce threats from wildfire and forest pests.

*IRR, CFLRA.*—We further recommend that Congress continue to closely monitor pilot authorities such as the IRR pilot regions, and project specific authorities such as CFRLA projects, to determine whether these projects are reducing unit costs, whether the units measured are acres treated or units of wood produced.

*Stewardship Contracting.*—We are also concerned that the Forest Service will lose their current authority to engage in Stewardship contracting at the close of this fiscal year. Congress must take steps to expedite an extension of this authority, and we urge this subcommittee to continue its leadership in this regard.

*Land Acquisition.*—Considering the fiscal situation facing the Nation and the backlog of both forest management and roads and facilities maintenance needs on the National Forests, we recommend no funding for the National Forest System Land Acquisition line item. It makes little sense to increase the size of the National Forest System at a time when the agency has a demonstrated backlog in maintenance and land management. We recommend that the \$59 million proposed by the administration be redirected to the land management priorities recommended above.

*BLM Forest Management.*—The President's fiscal year 2014 budget includes a sharp reduction in funding for the BLM Public Domain Forest Management Program. The President's budget proposes to reduce BLM PD Forest Management funding by nearly 40 percent, which will result in reduction of 40 percent of associated FTEs, 50 percent reduction in biomass volume, and 80 percent reduction in Stewardship Contracts. This would mean the BLM would drop from offering 123 million board feet in 2012 to offering 19 million board feet, a decline of over 85 percent of the public domain timberlands. FFRC supports funding for BLM PD Forest Management Program at no less than the fiscal year 2012 level of \$9.7 million. Aggressive action is also needed to offer regeneration harvests from the O&C lands in Oregon that meet the needs of local mills and communities.

*Alaska.*—The timber industry in Alaska faces several challenges stemming from years of controversy over the management of the Tongass National Forest. FFRC members depend upon supplies of timber from this forest, and have been hard pressed as the Forest Service has placed complete restrictions on harvest in roadless areas. Current efforts to transition to harvesting second growth timber will not meet the local industries needs for decades. Steps must be taken to offer a timber sale program that complies with the National Forest Management Act and can sustain the local value added industry in order to save the capacity to manage the very small percent of the Tongass that is open to any harvest (almost 90 percent of the Tongass is roadless). Local mills and loggers, along with Governor Sean Parnell, have concluded that some portion of the Tongass should be converted into State ownership in order to meet the needs of the local economy. FFRC strongly supports this effort. FFRC also strongly urges the subcommittee to make permanent the Red Cedar language which it has included in previous Interior bills for more than a dec-

ade. This language is absolutely necessary to ensure that USFS sales are not offered as deficit sales.

#### CONCLUSION

We are witnessing a renaissance in demand for wood products, both here at home and abroad. There are two things we know to be true: first, this demand will be met, whether it comes from our own forests or from abroad. Second, we know that there is more forest management work that needs to be done on the National Forests. Only Congress can decide whether we will help meet that domestic and international demand using timber from our National Forests, which must be milled domestically before it can be exported. Only Congress can create American jobs by using this market upswing to pay for badly needed forest management work. To paraphrase our favorite bear, only you can decide to act now, or you can allow the negative trends in forest health and rural economic distress to continue.

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#### PREPARED STATEMENT OF THE FRIENDS OF BON SECOUR NATIONAL WILDLIFE REFUGE

Mr. Chairman and members of the subcommittee: On behalf of the Friends of Bon Secour National Wildlife Refuge (FBSNWR), thank you for this opportunity to submit comments on the proposed fiscal year 2014 Interior, Environment, and Related Agencies appropriations bill. FBSNWR is a nonprofit volunteer organization formed in 1997 and represents citizens from throughout the United States who cherish and support the Bon Secour National Wildlife Refuge. Moreover, our members are concerned about its future and the role it plays in preserving vital habitat types.

The Bon Secour NWR provides vital habitat for neotropical migratory birds and nesting habitat for endangered sea turtles. In addition, the refuge is a component of thriving nature-based tourism along coastal Alabama. The coastal economy is dependent upon sound stewardship of natural resources of the Gulf of Mexico, so we believe the development and sustainment of a strong Bon Secour NWR and National Wildlife Refuge System is critical to creating a resilient economy in southern Alabama and the gulf coast.

Within this context, we urge your action on the following:

- Support the President's budget request for fiscal year 2014 of \$499 million for Refuge System Operations and Maintenance (O&M). This restores some of the cuts made over the past few years, even though this will not cover the annual increases needed just to maintain management capabilities from year to year. The Cooperative Alliance for Refuge Enhancement (CARE) estimates that the Refuge System needs at least \$900 million in annual funding to properly administer its 150 million acres and remains committed to aiming for this goal.
- Fully fund the Land and Water Conservation Fund (LWCF) at \$900 million and allocate a minimum commitment of \$300 million for the National Wildlife Refuge System. Created in 1964 and authorized at \$900 million per year, these funds are needed to complete land acquisition for existing and new refuges.

#### BON SECOUR NATIONAL WILDLIFE REFUGE

The Bon Secour NWR incorporates almost 7,000 acres along the coast of Baldwin County and Mobile County, Alabama and is one of more than 500 National Wildlife Refuges located throughout the United States. Bon Secour NWR is also part of the gulf coast NWR complex that includes the Grand Bay NWR (located in Mobile County, Alabama and Jackson County, Mississippi) and the Mississippi Sandhill Crane NWR (located in Jackson County, Mississippi). The National Wildlife Refuge System, managed by the U.S. Fish and Wildlife Service, is the Nation's premier system of public lands and waters set aside to conserve America's fish, wildlife and plants. Since President Theodore Roosevelt designated Florida's Pelican Island as the first wildlife refuge in 1903, the System has grown to more than 150 million acres.

Being a National Wildlife Refuge, the primary mission of the refuge is to protect wildlife and wildlife habitat. Public use of the refuge must come secondary to the refuge's wildlife stewardship operations. Yet, it is clear that Congress intended for the refuge to develop and implement environmental education. The act which established the refuge in 1980 stated that the refuge should "ensure the well-being of these (nationally endangered and threatened species, such as the brown pelican, bald eagle, and several species of sea turtles, as well as many more species identified by the State to be of special concern) and other species, to serve as a living laboratory for scientists and students . . ." The Alabama Gulf Coast Convention

and Visitors Bureau has estimated the refuge attracts nearly 100,000 visitors annually, demonstrating the refuge's significant role in Alabama's coastal economy.

Bon Secour NWR has persevered through several catastrophic events over the past decade. The refuge was hit hard by Hurricanes Ivan and Katrina in 2004 and 2005, forcing the removal of tons of hurricane debris from sensitive habitats and repairs to roads and trails. Three years ago, the refuge became a "poster child" for threats related to the gulf oil spill when crude oil washed onto the beaches during the sea turtle nesting season. The refuge staff has been strained to the limits to assess damage from these events and direct recovery from the impacts.

#### ASSESSMENT OF CURRENT BUDGET CONSTRAINTS

We are aware of the intense desire of the Federal Government to reduce deficit spending. However, addressing deficit spending on the backs of the U.S. Fish and Wildlife Service (USFWS) and the National Wildlife Refuge System is not a realistic approach to addressing deficit spending. The entire budget for civilian agencies represents less than 20 percent of the entire Federal budget, and we would speculate that the budget for the entire USFWS represents less than 1 percent of the allocations for civilian agencies. Therefore, slashing budgets for the NWRS would virtually be undetectable toward reducing deficits.

The citizens of the United States already have a major financial investment in these public lands. Continued reductions of operations and maintenance funds will result in deterioration of these lands and facilities, requiring additional expenditures for restoration if refuges and/or their facilities are not properly maintained.

To some degree, the USFWS has weathered recent budget shortfalls better than some agencies as a result of their tradition of strong efforts to manage expenditures for salaries and fixed costs. Many positions throughout the country have remained vacant, and the agency has been willing to make the tough decisions required to have any hope of sustaining their primary mission for wildlife stewardship. However, those efforts can only carry them so far, and we believe that continued budget shortfalls will force reductions-in-force, suspension of critical wildlife management functions, and closing visitor service facilities. It is ironic that the agency may actually be penalized as a result of their conservative budget management.

Bon Secour NWR presently has a staff of six personnel, although the Comprehensive Conservation Plan for the refuge indicates a need for nine personnel. Retention of these positions will be tenuous if sequestration and budget shortfalls continue. Moreover, we know that the USFWS will be reluctant to expand visitor service facilities that would provide direct contributions to the coastal economy until operational funding for the refuge system is more stable.

Budget constraints to the fire management program are already creating a backlog of habitat management needs throughout the Gulf Coast NWR Complex. My recent inquiries about this year's progress in prescribed burning indicated that funds simply are not available support fire operations that often require long days and weekend/holiday duty. This reduction in prescribed burning operations will exacerbate the backlog of habitat management needs and significantly increases the probability of more intense and catastrophic wildfires on the fire-dependent habitats along the busy I-10 corridor.

#### LAND AND WATER CONSERVATION FUND

All three refuges within the Gulf Coast NWR Complex have inholdings that detract from the wildlife management mission of the refuges and interfere with habitat stewardship activities. Bon Secour NWR is surrounded by development, increasing pressure to assure that the lands within the designated boundary provide quality habitat for migratory birds and endangered species. Therefore, the need to complete acquisition from willing sellers is critical to sustaining healthy resources associated with coastal Alabama.

#### CONCLUSION

Funds for the NWRS represent an investment in the health of the gulf's natural resources and economy of the United States. The Deepwater Horizon disaster in 2010 demonstrated for all of us that our coastal economies are linked to the health of our coastal natural resources. Investing in the NWRS would sustain our Nation's long history of success in natural resource stewardship and help restore our Nation's economy.

Thank you again for this opportunity to comment on this proposed appropriation.

## PREPARED STATEMENT OF THE FRIENDS OF RACHEL CARSON NWR

Mr. Chairman and honorable members of the subcommittee: I am Bill Durkin, President of the Friends of RCNWR in Maine.

I have been a member of the Friends of Rachel Carson NWR for the past 22 years. The group was founded in 1987; we are a small group of about 200 members. This time of the year all of the letters go out to Congress asking for support of the refuge. I have given numerous written statements over the years and we really appreciate your support in the past. This year, our refuge is not requesting any appropriations directly for Rachel Carson National Wildlife Refuge; this is a request for general funding of the System. I thank you all for your consideration.

—We are requesting an overall funding level of \$499 million in fiscal year 2014 for the operations and maintenance budget of the National Wildlife Refuge System, managed by the U.S. Fish and Wildlife Service. All of the refuges are in dire need of staffing and upkeep. Refuges provide unparalleled opportunities to hunt, fish, watch wildlife and educate children about the environment. An investment in the Nation's Refuge System is an excellent investment in the American economy. Without increased funding for refuges, wildlife conservation and public recreation opportunities will be jeopardized. We fully supported the President's request of \$499 million for O&M for the NWRs.

—The Land and Water Conservation Fund is our Nation's premier Federal program to acquire and protect lands at national parks, forests, refuges, and public lands and at State parks, trails, and recreational facilities. These sites across the country provide the public with substantial social and economic benefits including promoting healthier lifestyles through recreation, protecting drinking water and watersheds, improving wildfire management, and assisting the adaptation of wildlife and fisheries to climate change. For all these reasons, LWCF needs to be funded at the \$700 million level. Created in 1965 and authorized at \$900 million per year (more than \$3 billion in today's dollars), the LWCF is our most important land and easement acquisition tool. The President has included meaningful increases to the program in his fiscal year 2014 budget, and I support the administration's commitment to fully funding the program in the near future. I urge a minimal commitment of \$300 million to the National Wildlife Refuge System. This wise investment in the Land and Water Conservation Fund is one that will permanently pay dividends to the American people and to our great natural and historical heritage.

The Land and Water Conservation Fund should be fully funded at \$900 million annually—the congressionally authorized level. LWCF is good for the economy, it is good for America's communities and their recreational access and it is critical for our public lands.

The Rachel Carson National Wildlife Refuge is named in honor of one of the Nation's foremost and forward-thinking biologists. After arriving in Maine in 1946 as an aquatic biologist for the U.S. Fish and Wildlife Service, Rachel Carson became entranced with Maine's coastal habitat, leading her to write the international best seller *The Sea Around Us*. This landmark study led Rachel Carson to become an advocate on behalf of this Nation's vast coastal habitat and the wildlife that depends on it, the refuge that bears her name is dedicated to the permanent protection of the salt marshes and estuaries of the southern Maine coast. This year, we will be celebrating the 50th anniversary of Rachel Carson's publication of her historic book, *Silent Spring*.

I again extend our appreciation to the subcommittee for its ongoing commitment to our National Wildlife Refuge System and respectfully request the Interior Appropriations Subcommittee allocate \$499 million for the Refuge System's fiscal year 2014 Operations and Maintenance (O&M) budget, and fund the LWCF at the \$700 million level.

The LWCF request is constant every year, we need Congress to stand by their commitment that was made in 1964: stabilize the fund.

Thank you again, Mr. Chairman, for the opportunity to present this testimony in support of protecting wildlife and its habitat. Enjoy your next walk out on a National Wildlife Refuge.

## PREPARED STATEMENT OF THE FRIENDS OF THE REFUGE HEADWATERS

Chair and members of the subcommittee: On behalf of the Friends of the Refuge Headwaters (FORH), I am writing regarding the fiscal year 2014 Interior, Environment, and Related Appropriations bill and the impact this bill will have on the Refuge we support: the Upper Mississippi River National Wildlife and Fish Refuge (Upper Miss Refuge). We are very proud to be part of the National Wildlife Refuge

System and ask that you support the President's funding proposals for programs in the NWRS and the U.S. Fish and Wildlife Service (FWS).

Below I will begin by briefly describing FORH, the Upper Miss Refuge, and use of the Refuge by 3.7 million visitors per year. With respect to the Upper Miss Refuge in particular, I will explain the importance of the following allocations:

- \$499 million for Operations and Maintenance (O&M) of the NWRS;
- \$900 million for the Land and Water Conservation Fund (LWCF) with a minimal commitment of \$300 million for the National Wildlife Refuge System.

I will also explain how the sequester cuts have impacted the Upper Miss Refuge thus far, and how the Refuge would be affected were there to be an additional cut of 10 percent in 2014.

But to make clear, the National Wildlife Refuge System has endured several years of austere budgets, the sequester cut has made matters worse, and this has harmed the people who use the Upper Miss Refuge and the wildlife that is the reason for the Refuge System's existence. Additional cuts will have further harmful consequences out of proportion to any money saved by carrying them out.

#### THE FRIENDS OF THE REFUGE HEADWATERS

FORH is an all-volunteer group that began in 1997. Our mission is to support the Refuge's goals of sustaining diverse and abundant wildlife as well as providing compatible recreation, education, and interpretation to the public. Our current activities include sponsoring public outings for fishing, birding, canoeing, planting trees, removing invasive species, surveying Refuge users, holding public events with expert speakers, monthly meetings, and advertising and communicating through print, electronic, and social media. We also seek and write grants to aid the Refuge and raise funds through other activities.

#### THE UPPER MISSISSIPPI RIVER NATIONAL WILDLIFE AND FISH REFUGE

The Refuge winds through 261 miles of the Upper Mississippi River across four States: Minnesota, Wisconsin, Iowa, and Illinois. It comprises 240,000 acres of bottomland forests, wooded islands, marshes, backwaters, and upland prairies. It has more than 300 species of birds, more than 100 species of fish, and more than 50 species of mammals, as well as 250 bald eagle nests and 5,000 heron and egret nests. The Refuge is part of one of the four major waterfowl migration flyways in the United States, where birds must find reliable food, water, and resting places: during fall migration you can find hundreds of thousands of waterfowl using the Refuge on a single day.

But the Upper Miss Refuge is not just for wildlife. It's also a paradise for people. Minnesota is known as the land of 10,000 lakes and there are just as many lakes in Wisconsin, but not the part of Minnesota and Wisconsin where I live. We live in the land of the land of the Mississippi River, and thankfully, the land of the Upper Mississippi National Wildlife and Fish Refuge.

#### PUBLIC USE OF THE UPPER MISS REFUGE

So I will now describe for you how much people use this Refuge and how deeply they care about it. That's not hard for me to do, because I'm one of them. I'm out on the Refuge a lot and for many reasons. I fish year-round, from my boat, shore, or ice, and in the fall I hunt on the Refuge. You'll find my wife and me on backwaters or pools in our canoe or kayaks, sometimes with friends, exploring and observing wildlife. We take walks through the bottomland forest or upland prairie, on trails, on ice-covered channels in the winter, or on levees. We walk or drive to observation platforms to watch birds. We often join with friends to take one or more boats to an island shore for a picnic. On a warm summer day we may swim at the riverside bathing beach directly across the river from Winona.

People like us make 3.7 million visits per year to the Refuge to hunt, fish, watch wildlife, boat, canoe, camp, or just walk. That's because the Refuge is not put away behind a fence or distant from the cities that dot the river. It's our backyard. That's why it's so heavily used by families, schools, colleges, youth groups such as Boy Scouts and Girl Scouts, and many others. If you drive through my town—Winona, Minnesota—or through other towns and cities along the river, you'll see boats on trailers parked in side-yards, driveways, and often on the street. They're fishing boats with rod holders and trolling motors, pleasure boats with picnic and swimming gear, or hunting boats painted camo and surrounded by a cattail fence, or air-boats used by trappers. Inside our garages, in the backyard, or on the side of the house you'll find canoes and kayaks.

Any week of the year that you go out into the Refuge, you'll find people: a couple of dozen anglers in boats and on shore at a pool below a dam (the Refuge receives

more than 1 million visits annually for fishing), a group of boats pulled up on the sandy beach of an island to swim and picnic on a summer day (more than 1.3 million visits for such activities), bunches of duck hunters heading out from landings on a fall morning (300,000 waterfowl hunters), or birdwatchers lining the sides of an observation platform (300,000 visit to observe wildlife or for education). And they're not just in the easy-to-reach places. You've canoed far back into a remote maze of islands, pulled your ice-fishing sled as far down a channel as you can stand, or stalked through the forest with your gun until you may be lost. And you think you're alone. Around the corner comes another person, maybe doing the same thing you are, but just as likely there for another reason. But they wouldn't be there if the Refuge was not.

#### THE AUSTERITY IN WHICH THE UPPER MISS REFUGE OPERATES

The Refuge is understaffed for many positions and has been for years. For example, four law enforcement officers patrol 261 miles of river and 240,000 acres over four States with over 3.7 million visitors. That is an impossible task. Not only is that level of enforcement inadequate for the safety and protection of visitors and wildlife, but it is a threat to the officers themselves. The officers patrol alone and are often far from other enforcement agencies. Imagine how it feels to cruise toward an isolated island beach at night to confront 100 intoxicated people—and you're alone. For another example, two Rangers and four Visitor Services Coordinators plan and carry out activities with thousands of visitors and must often simply say no to requests for programs from schools, youth groups, and many others.

Other key positions are simply vacant. The Refuge has 51,000 acres of floodplain forest but no forester, getting guidance instead from the Corps of Engineers forester. Yet those same forests are declining due to invasive insects, plants, and trees such the Emerald Ash Tree Borer beetle, Buckthorn shrub, Oriental Bittersweet vine, and Black Locust tree. There is likewise no Fisheries Biologist, a position that provides a crucial link to States. Thus the Refuge has little or no say in fish management, fishing tournaments, commercial fishing, fishing seasons, fishing methods, or even catch limits, though fishing is an extremely popular activity on the Refuge and has large impacts on it.

In other cases lack of funding means the Refuge cannot carry out its obligations. Currently the Refuge has authorized more than \$2 million for land acquisition through the LWCF and has land acquisitions waiting for appraisals, signed purchase agreements, or final closing to fulfill its obligations for these funds. Even in the face of a looming threat such as invasive Asian Carp, which have caused severe harm to native fish populations and injuries to boaters in areas where they have proliferated, the Refuge staff has too little money to take more than token action. In sum, the Refuge cannot carry out its own goals and this underscores the need to increase the Operations and Maintenance Budget.

#### CONSEQUENCES OF THE SEQUESTER CUTS FOR THE UPPER MISS REFUGE

The sequester cuts are affecting all work on the Refuge, whether it's maintenance, biology, inventory, habitat management, visitor services, enforcement, or other. In each area, less is being done. I will give three specific examples. First, seasonal hiring for summer field work has been reduced by three-fourths. Much fieldwork is not being done, including control of invasive plants and controlled burns to improve or restore habitat and lower fire danger. Also, most of these seasonal employees are young people and now veterans acquiring experience and skills for future employment. Second, because comp time has been eliminated, the Refuge has reduced its outreach programs for the general public during weekends and evenings. The result is less education, interpretation, and recreation for children and adults, fewer contacts between Refuge staff and volunteers and local citizens, and a decrease in tourists who support local economies. Third, sharp restrictions on overnight travel have meant that Refuge staff are foregoing some types of training or not taking part in regional or national gatherings where they share their research findings or techniques. Both mean that Refuge staff are less able to carry out their jobs.

#### CONSEQUENCES OF A 10 PERCENT BUDGET REDUCTION FOR THE UPPER MISS REFUGE

The Refuge is already understaffed and working with an austere budget. To carry out a further cut of 10 percent, the Refuge would eliminate special hunts for the disabled, youth, and others requiring special accommodations. All weekend environmental education and interpretation programs would be eliminated. Visitor centers would not provide weekend or evening hours for the public. In addition, there would be reductions in environmental education programs for schools, weekend outreach/interpretation programs regarding fish and wildlife and other refuge programs, res-



toration projects with State and other Federal agencies, oversight of trust species (bald eagle, endangered species), and law enforcement including search and rescue operations, drug enforcement and accident investigations, hunting and fishing contacts, refuge trespassing, and habitat destruction. Clearly, these actions will have harmful consequences for wildlife and for the people who use the Refuge, and they can be avoided.

#### ECONOMIC BENEFITS OF THE UPPER MISS REFUGE

The authors of an economic study that is now 9 years old<sup>1</sup> found that the Refuge generated more than \$19 million annually in expenditures and economic value, \$98 million in economic output, 1,266 jobs with an income of \$21.4 million, and Federal, State, and local taxes of \$10.4 million. Given the importance of Refuge to the economies in four States and in the lives of the several million people who use it, the budgets for the two refuges is remarkably small. So funding of the Refuge has huge leverage. That's one of the reasons why reducing the budget will have such large negative consequences and increasing the budget would have similarly large positive consequences.

#### PUBLIC COMMITMENT TO THE UPPER MISS REFUGE

The people who use it have strong feelings about the Upper Miss Refuge. We truly care, because it's a big part of our lives. That Refuge is part of our regional heritage, just as the National Wildlife Refuge System is part of our national heritage. We also have strong expectations for it. We want it taken care of so that it's there not just for us, but also for our children and grandchildren and beyond. When people in this region learned last month that all three species of Asian carp had been caught in the river in one day by commercial fishermen, we were scared, depressed, and to be honest, angry. Because those fish threaten the Refuge that we care about so much, we saw that threat coming years ago, and there was a failure to address it.

We're also willing to pay for management of the Refuge. In 2008, by statewide referendum, Minnesotans voted by a large margin to increase our sales tax by three-eighths of 1 percent for three decades. 80 percent of the new revenues are dedicated to protecting, restoring, and improving wildlife habitat, surface waters and ground water, and parks and trails. Iowans passed a similar amendment in 2010, but are waiting on their Legislature to put their wishes into action. I'm confident the voters of Wisconsin would do the same if they had the opportunity, as would the voters of many other States. We Americans care deeply about our lands, waters, and wildlife. Doing so is a proud part of our history, as evidenced by more than a century of commitment to our National Wildlife Refuge System. We ask that you carry on this tradition.

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#### PREPARED STATEMENT OF THE FRIENDS OF THE RAPPAHANNOCK RIVER VALLEY NATIONAL WILDLIFE REFUGE

The Rappahannock River Valley National Wildlife Refuge (Refuge) has been affected primarily in three ways by recent budget cuts as well as sequestration. The first is in personnel. Management is not able to hire a full-time summer person that they usually put on the staff to help with the heavy summer maintenance and public use load. Also, all staff overtime has been cut so many of the weekend and after hours public events are being curtailed.

The staff cannot reorder basic supplies such as important brochures and maps that are given to the public. In addition, every requisition no matter how small requires a series of extra signatures that were not required in the past. This has the effect of bottlenecking all purchases and repairs so important machinery often stays inoperable for a long period of time which increases the maintenance work necessary to catch up with things such as mowing and more importantly, getting rid of invasive plant species.

Also, projects that require help from other branches of the Fish and Wildlife Service such as archeological surveys cannot be completed because travel expenses have been eliminated.

Further budget cuts would add to the difficulty. A 10 percent budget cut would devastate our refuge because they are already spread thin with only 6 staff members covering more than 15 tracts. In order to achieve a 10 percent cut, personnel

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<sup>1</sup> Caudill, J. 2004a. The Economic Effects of the Upper Mississippi River National Wildlife and Fish Refuge: Baseline and Effects of Alternatives. U.S. Fish and Wildlife Service, Arlington, Virginia. 32 pp.

would have to be cut since they are not spending money on anything else that is unnecessary. This is a refuge that is growing in public recognition and the visitor count is increasing every year. There is no visitor staff member on this refuge so a cut would be even more devastating to this growing refuge.

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PREPARED STATEMENT OF THE FIRE SUPPRESSION FUNDING SOLUTIONS PARTNER CAUCUS

As the Interior Appropriations Subcommittee considers the fiscal year 2014 budget for the USDA Forest Service (USFS) and the Department of the Interior (DOI), we the undersigned representing the Fire Suppression Funding Solutions Partner Caucus request your support to:

- Fully fund the FLAME accounts created for the USFS and DOI as intended in the Federal Land Assistance, Management and Enhancement Act (FLAME Act) separately from and above the 10-year average used to fund annual wildfire suppression;
- Ensure that any remaining balance in the FLAME accounts at the end of fiscal year 2013 carry over into fiscal year 2014; and
- Fully fund annual suppression using the 10-year average along with more predictive modeling based on current weather conditions, fuel loads and other data that contribute to wildfire risk.

The Partner Caucus is a diverse coalition of organizations brought together in January 2009 to find a solution to the impacts of increasing suppression costs on USFS programs. Our coalition includes national and local environmental organizations, State forestry, conservationists, outdoor and recreation industry, hunter/angler, timber industry, local governments and many other groups interested in Federal lands. Since annual wildfire suppression did not provide enough funding to avoid transferring funds from other agency programs, the solution developed in the 111th Congress was intended to change the funding mechanism for wildfire suppression by establishing two emergency wildfire accounts funded above annual suppression. In October 2009, the FLAME Act was signed into law with overwhelming bipartisan support from the House and Senate and should have represented an important change in the funding mechanism for wildfire suppression.

One of the cornerstones of the FLAME Act was the establishment of two FLAME accounts, one each for USFS and DOI. In passing the FLAME Act, Congress intended to fully fund the USFS and DOI's suppression needs, while avoiding the need to transfer monies from other agency programs to fund emergency wildfire suppression expenses. Annual suppression was to be calculated using an improved predictive modeling that included the 10-year average and other indicators. The FLAME accounts were to be funded at levels beyond annual suppression and not at the expense of other agency programs. Additionally, any balances remaining in the FLAME accounts were to carry over into future years.

FISCAL YEAR 2012

Unfortunately, several factors led to the administration transferring funds from agency non-suppression programs to fund emergency wildfire suppression in fiscal year 2012. Carry over levels in the FLAME accounts were rescinded in fiscal year 2012, suppression was funded below the 10-year average, and the fire season was very costly, particularly at the end of the fiscal year.

These factors led to the transfer of \$440 million from USFS programs and \$23 million from DOI programs at the end of fiscal year 2012. These transfers were restored in the first fiscal year 2013 continuing resolution. However, the transfers have had long lasting effects on the USFS' and DOI's implementation of impacted programs that continue to this day.

FISCAL YEAR 2013

In the latest administration's FLAME Forecast Report<sup>1</sup>, predictions indicate another costly fire season in fiscal year 2013, with median forecasts for suppression costs at levels of \$985 million for USFS and \$281 million for DOI. The fiscal year 2013 funding estimates for suppression and FLAME combined amount to \$852 million for USFS and \$369 million for DOI (not including sequester cuts). These findings, particularly for the USFS, strongly indicate another year of transferring funds

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<sup>1</sup>Federal Land Assistance, Management and Enhancement (FLAME) Act Suppression Expenditures for Interior and Agriculture Agencies: March 2013 Forecasts for Fiscal Year 2013. February 7, 2013.

from and disrupting agency programs, including the forest management programs that would help to reduce wildfire suppression costs.

## FISCAL YEAR 2014

The President's fiscal year 2014 budget proposes the full 10-year average, adjusted for inflation, at levels of \$996 million<sup>2</sup> for USFS and \$378 million<sup>3</sup> for DOI, which is then split between suppression and FLAME. The USFS budget proposes \$681 million for suppression and \$315 million for the USFS FLAME account. The DOI budget proposes \$286 million for suppression and \$92 million for the DOI FLAME account. These levels are adjusted for inflation.

[Dollars in millions]

	Fiscal year 2014—	
	USFS	DOI
Suppression .....	\$681	\$286
FLAME .....	315	92

Suppression and FLAME combined amount to the inflation adjusted 10-year average level.

We recommend the USFS and DOI FLAME accounts be funded separately from the 10-year suppression levels in order to avoid transfers in fiscal year 2014. Additionally, any remaining balance in the FLAME accounts at the end of fiscal year 2013 is carried over into fiscal year 2014. Finally, annual suppression levels should be funded using the 10-year average, along with any added factors that may improve predictive modeling, including current weather conditions, fuel loads and other data that contribute to wildland fire risk.

Congress undertook crafting the FLAME Act as a result of a critical examination of wildfire suppression funding and the importance of addressing impacts to agency programs. We request that you reaffirm the commitment to address this important problem and look forward to working with you to ensure wildfire suppression and FLAME accounts are funded in a way that reduces impacts to the agency programs that our organizations support.

Alliance for Community Trees	Firefighters United for Safety, Ethics and Ecology (FUSEE)
Amador Fire Safe Council	Foothill Conservancy
Amador-Calaveras Consensus Group	Forest Business Network
American Forests	Forest Energy Corp
American Forest Foundation	Forest Guild—Framing Our Community
American Forest Resource Council	Gifford Pinchot Task Force
American Hiking Society	Grand Canyon Trust
Appalachian Mountain Club	Great Old Broads for Wilderness
Applegate Partnership and Watershed Council	Greenpeace
Association of Consulting Foresters	Idaho Conservation League
Association of Fish & Wildlife Agencies	Idaho Forest Restoration Partnership
Black Hills Forest Resource Association	Indiana Forestry & Woodland Owners Association
Black Hills Regional Multiple Use Coalition	Institute for Culture and Ecology
Blackfoot Challenge	Intermountain Forest Association
Blue Mountain Forest Partners	International Association of Fire Chiefs
California Fire Safe Council	International Association of Wildland Fire
California Forestry Association	International Code Council
California Ski Industry Association	Large Tree Farm
Central Oregon Intergovernmental Council	Mainland Planning, Inc.
Choose Outdoors	Malheur Lumber Company
Clearwater Resource Council	Mid Klamath Watershed Council
Colorado Forestry Association	Montana Wilderness Association
Colorado Timber Industry Association	Mt. Adams Resource Stewards
Conservation Northwest	Mt. Taylor Machine, LLC
Criley Consulting	National Association of Conservation Districts
Dahl Environmental Services, LLC	
Entrepreneurship Northwest	

<sup>2</sup> Fiscal Year 2014 USDA Forest Service Budget Justification.

<sup>3</sup> Fiscal Year 2014 Interior Budget in Brief—Department-wide Programs.

National Association of Forest Service Retirees	Sierra Club
National Association of State Foresters	Siuslaw Institute
National Alliance of Forest Owners	Society of American Foresters
National Association of University Forest Resources Programs	Southern Oregon Forest Restoration Collaborative
National Cattlemen's Beef Association	Southern Oregon Timber Industries Association
National Network of Forest Practitioners	Southwestern Idaho Woody Utilization Partnership
National Ski Areas Association	Spatial Interest, LLC
National Volunteer Fire Council	Sustainable Northwest
National Wildfire Institute	Swan Ecosystem Center
National Wild Turkey Federation	The Wilderness Society
National Woodland Owners Association	The Wildlife Society
New Mexico Council of Trout Unlimited	Trout Unlimited
New Mexico Forest Industry Association	University of the South
Northwest Forest Worker Center	Vermont Woodlands Association
Outdoor Alliance	Watershed Research & Training Center
Ozark Woodlands Owners Association	Western Environmental Law Center
Pinchot Institute	Wildlands CPR
Public Lands Council	Wisconsin Woodland Owners Association Inc.
Quail & Upland Wildlife Federation	Woody Biomass Utilization Partnership
Rocky Mountain Elk Foundation	
Ruffed Grouse Society	
Salmon Valley Stewardship	

PREPARED STATEMENT OF FRIENDS OF THE TAMPA BAY NATIONAL WILDLIFE REFUGES, INC.

Mr. Chairman and members of the subcommittee: On behalf of the 163 members of the Friends of the Tampa Bay National Wildlife Refuges, including Egmont Key National Wildlife Refuge (NWR), Passage Key NWR, and Pinellas NWR, I would like to thank you for your commitment to the National Wildlife Refuge System (NWRS). We realize that in this time of budget cuts, it may be difficult to justify increasing the NWRS funding, but once the refuges start to decline it will cost many times more than these small increases to return them to a condition that will fulfill their mandates. We respectfully request that you consider the following in your appropriations:

- Fund the National Wildlife Refuge System at \$499 million in fiscal year 2014.
- Fund the Land and Water Conservation Fund (LWCF) at \$900 million for fiscal year 2014, including a minimal commitment of \$300 million for the National Wildlife Refuge System.

The Cooperative Alliance for Refuge Enhancement (CARE) estimates that the NWRS needs a budget of at least \$900 million annually in operation and maintenance funding in order to properly administer its 150 million acres as mandated in the Refuge Improvement Act. The current budget is far short of the amount actually required to effectively operate and maintain the refuges. In this time of tightening budgets, we respectfully request that you increase the NWRS budget to \$499 million so that the refuges do not backslide even further in protecting these valuable lands and ecosystems.

The Land and Water Conservation Fund was created in 1965 and authorized at \$900 million. We ask that you fund the LWCF at \$900 million for fiscal year 2014 with a minimal commitment of \$300 million to the National Wildlife Refuge System. These funds are used for land acquisition as well as less expensive easements or leases to protect wildlife and their habitats. With the effects of a changing climate, it is more important now than ever to establish key wildlife corridors between protected areas so wildlife can migrate to more suitable habitat as their historic ones change. These landscape level conservation efforts through conservation easements and land purchases are the best way to protect the diversity of flora and fauna. The price of real estate is low at this time and the \$900 million can go much further in protecting habitats than it can in a higher market. When we start to lose species due to lack of food, water, shelter, or space, we are changing the balance of nature. We urge you to fund the LWCF at \$900 million for fiscal year 2014. The LWCF is not funded by taxpayer money.

The Tampa Bay Refuges are located at the mouth of Tampa Bay on the west central gulf coast of Florida. The budget increases a few years ago meant increased management, protection, and restoration of the refuges and the ability to better meet the Comprehensive Conservation Plan (CCP) goals. The wildlife on the refuges

has done well with the extra help. Due to those past increases in budget and personnel the TBRs were able to plan for big picture issues such as erosion and increased public use. Unfortunately, due to the sequestration and budget cuts, much of that planning will not be implemented.

The recent budget decrease and sequestration has hurt our refuges.

- The refuge law enforcement (LE) officers will not be able to patrol Egmont Key as often during the key summer nesting season due to restrictions in travel and overtime in a shrinking budget. This leaves the nesting birds open to more intrusions by refuge visitors and nesting failures.
- It is very difficult to purchase equipment for the LE for emergency response and public safety due to budget cuts.
- If a staff member leaves, he/she may not be replaced so the refuge can stay afloat financially for the rest of this fiscal year because of the sequestration. We have already lost a maintenance position to keep the equipment, including the boats used to access the island refuges, in good working order.
- The refuge was able to eradicate exotic plants and predators on the refuges, but with budget decreases and sequestration, there is little or no money to monitor and keep up with the work that has already been done. The result will be degraded habitat for the refuges and their wildlife, including nesting failures.
- Fire management budgets have been cut and prescribed fires have not been conducted on Egmont Key as needed. This opens the island, its historic buildings, and visitor center up to a much higher catastrophic wildfire risk.
- Simple things like purchasing a GPS for the boat to safely exit a channel cannot be purchased. The longer, safer route, if you don't have a GPS, reduces the amount of time staff can dedicate to refuge management since there is no overtime. Other things such as the contract for dry storage for the refuge boat, which includes launching so the boat is ready when staff arrives, is also being cut. This too wastes trained staff's valuable time to tow, launch, and ready a boat before getting to the actual tasks that matter to the refuge.
- The Fort Dade Guardhouse on Egmont Key NWR has been restored and will become the visitor center. The refuge has grant money to fund the first phase of the displays, but with the sequestration and budget cuts staff may not have time to oversee construction of the center displays or to keep the center open to the public.

These are just a few of the things impacting the Tampa Bay refuges. Bottom line, funding cuts hurt the wildlife that the NWRS is mandated to protect. The refuge system has a very small budget compared to the whole Federal budget. It is not a big impact to the Federal budget to give the refuges a little more funding whereas the impact of reduced funding is devastating. Please consider funding \$499 million for the fiscal year 2014 Operations and Management budget.

The Friends of the Tampa Bay National Wildlife Refuges (FTBNWR) was incorporated and became a 501c3 in 2008 to better assist the Tampa Bay National Wildlife Refuges with volunteers and fundraising. In 2012 FTBNWR was able to provide over 2,000 volunteer hours to assist the refuge staff with exotic invasive control, refuge cleanups, and education. FTBNWR has been able to raise funds to remove invasive animals on the Pinellas Refuges that prevented birds from nesting and ate the eggs laid by the Terrapin turtles that reside there. The Friends also started an Education Program to provide outdoor environmental educational programs at our local schools for grades K-5 and also environmental field trips to nearby preserves to teach our fourth and fifth graders about the NWRS and the environment. Volunteers act as bird stewards on Egmont Key NWR during the summer nesting season to enhance the visitors' experience on the refuge through education. Our refuges do not have enough staff to provide these education programs so we have filled that gap as volunteers. Our volunteers are passionate about the refuge system and donate their time, money, and expertise to protect it.

The Friends of the Tampa Bay National Wildlife Refuges is one of over 230 Friends groups who support the National Wildlife Refuges. The interest in our National Wildlife Refuge System is significant and we are proving it with our donated time and funds.

In conclusion, the Friends of the Tampa Bay National Wildlife Refuges believe the National Wildlife Refuge System can meet its conservation objectives only with strong and consistent funding leveraged by the work of refuge staff and volunteers. We again extend our appreciation to the subcommittee for its ongoing commitment to our National Wildlife Refuge System. We encourage you to approve \$499 million for the fiscal year 2014 National Wildlife Refuge System Operations and Maintenance budget managed by FWS and to approve \$900 million for fiscal year 2014 for the LWCF land acquisition budget as well as a dedicated \$300 million for Fish and Wildlife.

## PREPARED STATEMENT OF THE GREAT LAKES INDIAN FISH &amp; WILDLIFE COMMISSION

*BIA Rights Protection Implementation:* \$36,722,000. Great Lakes Area Resource Management: \$7,067,000 (administration's proposed allocation).

*Agency/Program Line Item.*—Department of the Interior, Bureau of Indian Affairs, Operation of Indian Programs, Trust—Natural Resources Management, Rights Protection Implementation, Great Lakes Area Resource Management.

*Funding Authorizations.*—Snyder Act, 25 U.S.C. § 13; Indian Self-Determination and Education Assistance Act, (Public Law 93–638), 25 U.S.C. §§ 450f and 450h; and the treaties between the United States and GLIFWC's member Ojibwe Tribes.<sup>1</sup>

*BIA Contract Support:* At least the \$231,000,000 amount requested by the administration, provided this amount meets the full contract support funding required by the Indian Self-Determination and Education Assistance Act.

*Agency/Program Line Item.*—Department of the Interior, Bureau of Indian Affairs, Operation of Indian Programs, Tribal Government.

*Funding Authorization.*—Indian Self-Determination and Education Assistance Act, (Public Law 93–638), 25 U.S.C. §§ 450f and 450h.

*EPA Great Lakes Restoration:* \$300,000,000. Tribal need: \$25,000,000. GLIFWC need: \$1,200,000 (estimated annual need).

*Agency/Program Line Item.*—Environmental Protection Agency, Environmental Programs and Management, Geographic Programs, Great Lakes Restoration.

*Funding Authorizations.*—Clean Water Act, 33 U.S.C. § 1268(c); and treaties cited above.

## GREAT LAKES INDIAN FISH AND WILDLIFE COMMISSION'S GOAL—A SECURE FUNDING BASE TO FULFILL TREATY PURPOSES

For nearly 30 years, Congress has funded GLIFWC to meet non-discretionary treaty obligations and to comply with associated Federal court orders. GLIFWC implements comprehensive conservation, natural resource protection, and law enforcement programs that ensure member tribes are able to exercise their treaty reserved rights to hunt, fish, and gather throughout the ceded territories, and that ensure a healthy and sustainable natural resource base to support those rights. These programs also provide a wide range of public benefits and assure full participation in management partnerships in Wisconsin, Michigan, and Minnesota.

GLIFWC and its member tribes appreciate the administration's and Congress's strong support of these treaty obligations for the past 30 years and for their continuing recognition of the hard work undertaken to implement the RPI program. Despite an increase in support for treaty rights protection in fiscal year 2012, GLIFWC's fiscal year 2012 funding, leveraged with other funding sources, still results in unmet needs of \$2,636,000. Funding at the proposed fiscal year 2014 level would begin to address these unmet needs. For more detail, the three elements of this fiscal year 2014 funding request are:

*BIA Great Lakes Area Management: \$7,067,000.*—This program falls within the Rights Protection Implementation (RPI) line item, which the administration proposed at \$36,722,000 for fiscal year 2014. Funds provided to GLIFWC under the RPI program ensure that GLIFWC's member tribes continue to comply with Federal court orders by ensuring effective implementation of tribal self-regulatory and co-management systems.

In previous fiscal years, GLIFWC and other Treaty Commissions testified about chronic underfunding of the Rights Protection Implementation line item and the impacts of that underfunding on GLIFWC's programs. The increases in the Great Lakes Area Resource Management line item in fiscal year 2010 allowed the Commissions to restore some program cuts that had resulted from previous funding shortfalls. Sequestration will undo many of these restorations. For example, for GLIFWC, sequestration threatens its long-standing fish contaminant and consumption advisory program, fall juvenile walleye recruitment surveys, tribal court and registration station funding, and Lake Superior lamprey control and whitefish assessment programs. Any of these cuts will have a greater impact now, when demand for GLIFWC's services across the ceded territories is increasing as more tribal members are exercising their rights to put food on their tables during difficult economic times. Funding at the proposed fiscal year 2014 level would protect GLIFWC programs from these cuts.

<sup>1</sup>Specifically, the Treaty of 1836, 7 Stat. 491, Treaty of 1837, 7 Stat. 536, Treaty of 1842, 7 Stat. 591, and Treaty of 1854, 10 Stat. 1109. The rights guaranteed by these treaties, and the associated tribal regulatory and management responsibilities have been affirmed by various court decisions, including a 1999 U.S. Supreme Court case.

*BIA Contract Support.*—At least \$231,000,000, consistent with the Indian Self-Determination and Education Assistance Act's requirement for full contract support funding. GLIFWC does not support the administration's proposal to institute individual statutory caps, in part because there is no funding to cover any shortfalls without undermining service capacity.

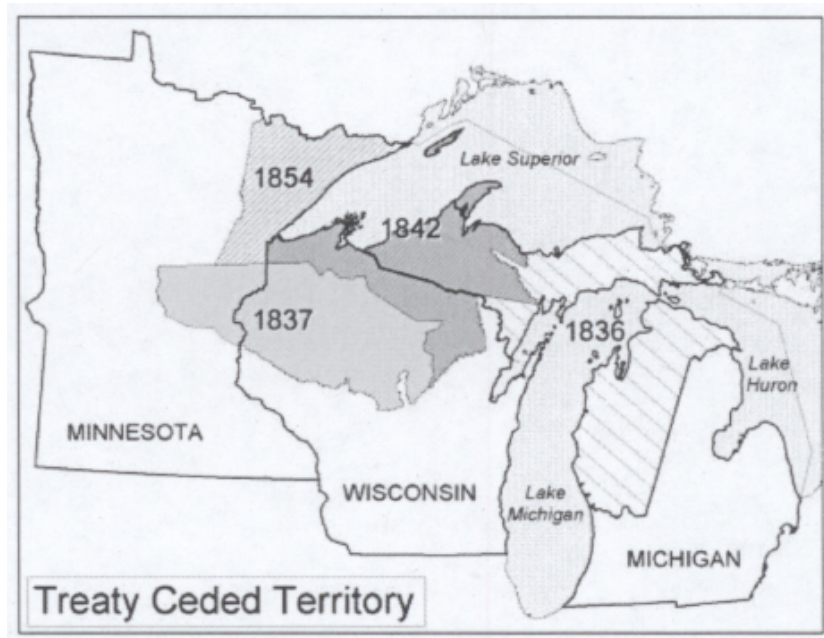
*EPA Environmental Programs and Management: \$300 million.*—GLIFWC supports continued funding for the Great Lakes Restoration Initiative (GLRI) at the administration's proposed fiscal year 2014 level of \$300 million. It also recommends that at least \$25 million be provided to the BIA for tribes, to ensure they are able to undertake local projects that contribute to the protection and restoration of the Great Lakes.

Sustained funding for GLIFWC at approximately \$1.2 million will enable GLIFWC to maintain its protection and enhancement activities throughout the ceded territories. These activities are especially important at a time when State and Federal agencies are stepping back from on-the-ground protection work due to budget constraints. Protection activities are imperative—protecting resources from degradation is much more effective and cost efficient than restoration activities. It makes no sense to let resources degrade, only to spend more money on restoration. The benefits of GLIFWC protection and restoration activities are not only felt by its member tribes, but benefit all communities that use the ceded territories.

Funding provided through the BIA should be made available under the Indian Self-Determination and Education Assistance Act (ISDEAA). In 2010, GLRI funding awarded through the ISDEAA was virtually the only GLRI funding that was available before the 2010 field season. This enabled tribes to begin project implementation much earlier and realize substantial "on-the-ground" ecosystem benefits early.

CEDED TERRITORY TREATY RIGHTS—GREAT LAKES INDIAN FISH AND WILDLIFE COMMISSION'S ROLE AND PROGRAMS

Established in 1984, GLIFWC is a natural resources management agency of 11 member Ojibwe tribes with resource management responsibilities over their ceded territory (off-reservation) hunting, fishing and gathering treaty rights. These ceded territories extend more than a 60,000 square mile area that extends to Minnesota, Wisconsin, and Michigan.



Through its staff of 66 full-time biologists, scientists, technicians, conservation enforcement officers, policy specialists, and public information specialists, GLIFWC's

mission is to: ensure that its member tribes are able to exercise their Treaty-protected rights to meet subsistence, economic, cultural, medicinal, and spiritual needs; and ensure a healthy, sustainable natural resource base to support those rights. GLIFWC is a “tribal organization” as defined by the Indian Self-Determination and Education Assistance Act, governed by a Constitution that is ratified by its member tribes and by a Board composed of the Chairs of those tribes.

#### JUSTIFICATION AND USE OF THE REQUESTED FUNDS

*Maintain the Requisite Capabilities To Meet Legal Obligations, To Conserve Natural Resources and To Regulate Treaty Harvests.*—Although it does not meet all GLIFWC’s needs, sustained funding at the fiscal year 2014 level would go a long way in facilitating continued tribal compliance with various court decrees and inter-governmental agreements governing the tribes’ treaty-reserved hunting, fishing and gathering rights. It also enhances GLIFWC’s capability to undertake work and participate in relevant partnerships to tackle ecosystem threats that harm treaty natural resources, including invasive species, habitat degradation and climate change.

*Remain a Trusted Environmental Management Partner and Scientific Contributor in the Great Lakes Region.*—GLIFWC would maintain its role as a trusted environmental management partner and scientific contributor in the Great Lakes Region. It would bring a tribal perspective to the interjurisdictional mix of Great Lakes managers<sup>2</sup> and would use its scientific expertise to study issues and geographic areas that are important to its member Tribes but that others may not be examining.<sup>3</sup>

*Maintain the Overall Public Benefits That Derive From Its Programs.*—Over the years, GLIFWC has become a recognized and valued partner in natural resource management. Because of its institutional experience and staff expertise, GLIFWC has built and maintained numerous partnerships that: provide accurate information and data to counter social misconceptions about tribal treaty harvests and the status of ceded territory natural resources; maximize each partner’s financial resources and avoid duplication of effort and costs; engender cooperation rather than competition; and undertake projects that achieve public benefits that no one partner could accomplish alone, as the Department of the Interior highlighted in its Fiscal Year 2014 Budget in Brief.<sup>4</sup>

#### OTHER RELATED APPROPRIATIONS CONCERNS

*Rights Protection Litigation Support.*—Litigation support funds are used to defray costs associated with litigation to affirm and implement treaty reserved rights. Defraying these costs, such as those associated with ongoing negotiations with States in ongoing co-management activities preserves base funding for GLIFWC’s program costs.

*Rights Protection Evaluation and Research Activities.*—GLIFWC supports the administration’s proposed \$3.5 million for evaluation and research activities in the Rights Protection Implementation line item, provided this funding goes to RPI tribes and intertribal commissions to carry out the evaluation and research activities that will lead to the development of implementation and management strategies to deal with the many changes that are occurring throughout the ceded territories.

<sup>2</sup> GLIFWC currently participates on a regular basis in the Binational Program to Restore and Protect Lake Superior, International Joint Commission and SOLEC forums, the Great Lakes Restoration Initiative, and the implementation of agreements to regulate water diversions and withdrawals under the Great Lakes Charter, Annex 2001.

<sup>3</sup> With the requested fiscal year 2014 funds, GLIFWC would: continue a ceded territory wild rice enhancement project; facilitate tribal input and participation in the implementation of the revised Great Lakes Water Quality Agreement; continue to participate in the development and implementation of the Lake Superior Lakewide Management Plan; build upon its long-standing fish contaminant analysis and consumption advisory program by testing additional species, testing in a wider geographic range, and testing for chemicals of emerging concern; enhance its invasive species and animal disease prevention, monitoring and mitigation programs, particularly given the potential impacts of climate change, the recent discovery of viral hemorrhagic septicemia (VHS) in Lake Superior and the potential migration of the Asian Carp into the Great Lakes; and enhance its capacity to protect ceded territory natural resources by responding to development proposals such as those related to mining.

<sup>4</sup> The Fiscal Year 2014 Budget in Brief highlights GLIFWC’s wild rice restoration and management activities, done in partnership with the States of Wisconsin, Minnesota, and Michigan, as well as GLIFWC’s participation in joint fisheries management on Lake Superior. See pages DH-84 and DH-85.



## PREPARED STATEMENT OF THE GEOLOGICAL SOCIETY OF AMERICA

*Summary.*—The Geological Society of America (GSA) urges Congress to at least restore the fiscal year 2012 appropriation for the U.S. Geological Survey (USGS) in fiscal year 2014 and support as many of the proposed increases in the administration's request as possible. As one of our Nation's key science agencies, the USGS plays a vital role in understanding and documenting mineral and energy resources that underpin economic growth worldwide; researching and monitoring potential natural hazards that can undermine United States and international security; and determining and assessing water availability and quality necessary for society. Despite the critical role played by the USGS, funding for the Survey has stagnated in real dollars for more than a decade. The cuts from sequestration in an agency already operating in a constrained environment are decreasing this agency's ability to monitor and assess resources upon which our society depends. Given the importance of the many activities of the Survey that protect lives and property from natural hazards, stimulate innovations that fuel the economy, provide national security, and enhance the quality of life, the Geological Society of America believes sustained, steady growth in Federal funding for the Survey is necessary for the well being of our Nation.

The Geological Society of America, founded in 1888, is a scientific society with more than 25,000 members from academia, government, and industry in all 50 States and more than 90 countries. Through its meetings, publications, and programs, GSA advances the geosciences, enhances the professional growth of its members, and promotes the geosciences in the service of humankind. GSA encourages cooperative research among earth, life, planetary, and social scientists, fosters public dialogue on geoscience issues, and supports all levels of earth science education.

## U.S. GEOLOGICAL SURVEY CONTRIBUTIONS TO NATIONAL SECURITY, HEALTH, AND WELFARE

The USGS is one of the Nation's premier science agencies. Approximately 70 percent of the USGS budget is allocated for research and development. In addition to underpinning the science activities of the Department of the Interior, this research is used by communities across the Nation in land use planning, emergency response, natural resource management, engineering, and education. These partnerships also allow USGS to leverage funds, making the most of scarce Federal dollars. USGS research addresses many of society's greatest challenges for national security, health, and welfare, including natural hazards, mineral and energy resources, climate change, and water availability and quality.

- Natural hazards—including earthquakes, tsunamis, volcanic eruptions, wildfires, and hurricanes—are a major cause of fatalities and economic losses worldwide. Recent natural disasters provide unmistakable evidence that the United States remains vulnerable to staggering losses. 2011 was a record year for natural disasters in the United States, with 12 separate billion dollar weather/climate disasters. Several areas in the United States are vulnerable to damages from earthquakes, tsunamis, volcanoes, and landslides—as evidenced by the recent west coast landslide. USGS research that improves our understanding of geologic hazards will allow for better planning and mitigation in these areas that will reduce future losses. GSA urges Congress to support efforts for USGS to modernize and upgrade its natural hazards monitoring and warning systems to protect communities from the devastating personal and economic effects of natural disasters.
- Energy and mineral resources are critical to national security and economic growth. Improved scientific understanding of these resources will allow for their more economic and environmental management and utilization. The USGS is the sole Federal information source on mineral potential, production, and consumption. USGS assessments of mineral and energy resources are essential for making informed decisions about the Nation's future. GSA is greatly concerned about recent cuts in mineral resources and the ability of our Nation to safely develop new resources.
- Many emerging energy technologies—such as wind turbines and solar cells—depend upon rare Earth elements and critical minerals that currently lack diversified sources of supply. China accounts for 95 percent of world production of rare Earth elements (USGS, 2010). USGS research will play a lead role in helping ease our dependence on these foreign sources.
- The devastating droughts in 2012 reminded us of our dependence on water. The availability and quality of surface water and groundwater are vital to the well being of both society and ecosystems. The proposed increases for water gauges and other water programs will increase our scientific understanding of surface

water and groundwater necessary to ensure adequate safe water resources for the future.

—USGS research on climate impacts is used by the Department of the Interior and local policymakers and resource managers to make decisions based on the best possible science. The Climate Science Centers, for example, provide scientific information necessary to anticipate, monitor, and adapt to climate change's effects at regional and local levels, ranging from sea level rise and extreme weather events to the impact of climate change on wildfires to effects on agriculture.

—The Landsat satellites have amassed the largest archive of remotely sensed land data in the world, a tremendously important resource for natural resource exploration, land use planning, and assessing water resources, the impacts of natural disasters, and global agriculture production. The successful launch of Landsat 8 is an important step to continue to provide these resources. GSA supports interagency efforts to examine a path forward for support of Landsat.

Research in Earth science is fundamental to training and educating the next generation of Earth science professionals. The United States faces a looming shortage of qualified workers in these areas that are critical for national security. We are very concerned that cuts in Earth science funding will cause students and young professionals to leave the field, potentially leading to a lost generation of professionals in areas that are already facing worker shortages. Investments in these areas could lead to job growth, as demand for these professionals now and in the future is assessed to be high.

A 2013 report by the National Research Council, *Emerging Workforce Trends in the Energy and Mining Industries: A Call to Action*, found, "Energy and mineral resources are essential for the Nation's fundamental functions, its economy, and its security. . . . In mining (nonfuel and coal) a personnel crisis for professionals and workers is pending and it already exists for faculty."

Another recent study, *Status of the Geoscience Workforce 2011*, by the American Geosciences Institute found: "The supply of newly trained geoscientists falls short of geoscience workforce demand and replacement needs . . . aggregate job projections are expected to increase by 35 percent between 2008 and 2018 . . . . The majority of geoscientists in the workforce are within 15 years of retirement age. By 2030, the unmet demand for geoscientists in the petroleum industry will be approximately 13,000 workers for the conservative demand industry estimate."

Science and technology are engines of economic prosperity, environmental quality, and national security. Federal investments in research pay substantial dividends. According to the National Academies' report *Rising Above the Gathering Storm* (2007), "Economic studies conducted even before the information-technology revolution have shown that as much as 85 percent of measured growth in U.S. income per capita was due to technological change." Likewise, the National Commission on Fiscal Responsibility and Reform, headed by Erskine Bowles and Alan Simpson, said: "We must invest in education, infrastructure, and high-value research and development to help our economy grow, keep us globally competitive, and make it easier for businesses to create jobs." Earth science is a critical component of the overall science and technology enterprise. Growing support for Earth science in general and the U.S. Geological Survey in particular are required to stimulate innovations that fuel the economy, provide security, and enhance the quality of life.

Thank you for the opportunity to provide testimony about the U.S. Geological Survey.

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PREPARED STATEMENT OF THE HUMANE SOCIETY OF THE UNITED STATES, HUMANE SOCIETY LEGISLATIVE FUND, AND DORIS DAY ANIMAL LEAGUE

Thank you for the opportunity to offer testimony to the Interior, Environment, and Related Agencies Subcommittee on items of importance to our organizations. We urge the subcommittee to address these priority issues in the fiscal year 2014 Department of the Interior appropriation.

ROCK CREEK PARK DEER

The HSUS requests that funds made available in this act give preference to non-lethal deer management programs and that the NPS be prohibited from using funds to conduct lethal deer management programs at Rock Creek Park. The National Park Service (NPS) recently decided to implement lethal methods for controlling the deer population in Rock Creek Park despite the availability of non-lethal methods that would have cost significantly less taxpayer money and resulted in a more effective long-term solution to human-wildlife conflicts in the park and its environs. In

the future, we ask that priority be given to humane, non-lethal methods with respect to decisions regarding funding deer management programs.

#### LARGE CONSTRICTOR SNAKES

The HSUS commends the U.S. Fish and Wildlife Service for listing four of nine species of large constrictor snakes as “injurious.” We encourage this subcommittee to direct the USFWS to immediately move forward with the “injurious” listing of the five remaining species, which will prohibit importation and interstate movement of these animals as pets. A recent, comprehensive report by the U.S. Geological Survey showed these non-native snakes all pose a medium or high risk to ecosystems. Large constrictor snakes have been released or escaped into the environment and have colonized Everglades National Park and other portions of south Florida as well as Puerto Rico and scientists warn they may become established in other areas of the country. Releasing these animals to fend for themselves can also lead to an inhumane death from starvation, dehydration, being struck by cars, or exposure to bitterly cold temperatures. The Service must have the resources to respond quickly to prevent the spread and establishment of these snakes into new areas.

#### ENVIRONMENTAL PROTECTION AGENCY

##### *Endocrine Disruptor Screening Program*

Research focused on molecular screening has the potential to revolutionize toxicity testing improving both its efficiency as well as the quality of information available for human safety assessment in the Endocrine Disruptor Screening Program (EDSP). These “next generation tools” will speed up the assessments of chemicals in the EDSP and reduce, and ultimately, replace animal use. We urge the committee to incorporate the following report language, which is also supported by the American Chemistry Council:

“The Committee recognizes that EPA is implementing the use of ToxCast information in the prioritization of chemicals for screening in the Endocrine Disruptor Screening Program (EDSP). The Committee supports this activity as part of a pathway-based approach to endocrine assessment, and directs EPA to maximize its efforts to develop adverse outcome pathways (AOPs) for endocrine modes of action and to utilize mechanistic information not only in prioritization, but also in hazard and risk assessment in place of tests involving living animals, if comparable and reasonably and practicably available. The Committee also recognizes that EPA is continuing to extend existing long-term reproduction studies in birds, fish, and other species to two- or multi-generation tests for the EDSP. The Committee understands that EPA contributed to an international review of rat reproduction studies that showed the lack of utility of a second generation and supporting replacement of the two-generation mammalian study with a more efficient ‘extended one-generation’ design. The Committee directs EPA to maximize the efficiency of each EDSP protocol and minimize unnecessary costs and animal use by assessing the utility (including sensitivity, specificity and value of information added relative to the assessment of endocrine disruption) of each endpoint in the study, including specifically the need to produce more than one generation of offspring in the bird, fish and amphibian EDSP Tier 2 tests and issue a public report on its findings for comment. The Committee also directs EPA to determine what information the Agency requires to assess and manage potential risks to human health and the environment in regards to endocrine disruption, to minimize or to eliminate unnecessary endocrine screening and testing, and to use existing scientific data in lieu of requiring new data, when possible. The Committee understands that EPA is currently working with OECD to develop and modify EDSP methods. EPA should work within the framework and timing of the OECD Test Guideline work plan to minimize duplicative efforts.”

##### *Science and Technology Account—21st Century Toxicology*

In 2007, the National Research Council published its report titled “Toxicity Testing in the 21st Century: A Vision and a Strategy.” This report catalyzed collaborative efforts across the research community to focus on developing new, advanced molecular screening methods for use in assessing potential adverse health effects of environmental agents. It is widely recognized that the rapid emergence of omics technologies and other advanced technologies offers great promise to transform toxicology from a discipline largely based on observational outcomes from animal tests as the basis for safety determinations to a discipline that uses knowledge of biological pathways and molecular modes of action to predict hazards and potential risks. We urge the committee to incorporate the following language:

“The Committee supports EPA’s leadership role in the creation of a new paradigm for chemical risk assessment based on the incorporation of advanced molecular biological and computational methods in lieu of animal toxicity tests. The Committee encourages EPA to continue to expand its extramural and intramural support for the use of human biology-based experimental and computational approaches in health research to further define toxicity and disease pathways and develop tools for their integration into evaluation strategies. Extramural and intramural funding should be made available for research and development of human biology-based and Tox21-related methods and prediction tools, including pilot studies of pathway-based risk assessments. The data sets and prediction model structures generated should be transparent, publicly disseminated, and to assure readiness and utility for regulatory purposes, undergo public review and comment and independent scientific peer review to establish relevance and reliability. The Committee requests EPA provide a report on associated funding in fiscal year 2014 for such activity and a progress report in the congressional justification request, featuring a 5-year plan for projected budgets for the development of mechanism-based methods, including Tox21 activities and prediction models and activities specifically focused on establishing scientific confidence in them for regulatory purposes. The Committee also requests EPA prioritize an additional (1–3 percent) of its Science and Technology budget from within existing funds for such activity.”

#### MULTINATIONAL SPECIES CONSERVATION FUND

The administration’s fiscal year 2014 budget requests \$9.98 million for the Multinational Species Conservation Fund (MSCF) program which funds African and Asian elephants, rhinos, tigers, great apes like chimps and gorillas, and sea turtles. The HSUS joins a broad coalition of organizations in support of the administration’s request while ensuring that the sales from the semi-postal stamps benefiting this program remain supplementary to annually appropriated levels. We also request \$13 million for the Wildlife Without Borders and International Wildlife Trade programs within the USFWS Office of International Affairs.

While we wholeheartedly support continued funding for the MSCF, we are concerned about past incidents and oppose any future use of funds from these conservation programs to promote trophy hunting, trade in animal parts, and other consumptive uses—including live capture for trade, captive breeding, and entertainment for public display industry—under the guise of conservation for these animals. Grants made to projects under the MSCF must be consistent with the spirit of the law.

#### PROTECTION FOR WALRUSES

We urge this subcommittee to appropriate the necessary funds in fiscal year 2014 to permit the listing of the Pacific walrus, which has been placed on the candidate list for threatened or endangered status under the Endangered Species Act. The USFWS recently found that listing the Pacific walrus was warranted, due primarily to threats the species faces from loss of sea ice in its arctic habitat as a result of climate change. Walruses are targeted by native hunters for subsistence; hundreds are killed annually, with this number climbing to as many as 7,000 in some years. In some hunting villages, females and their calves are preferentially killed, against the recommendation of the USFWS and standard management practice. By waiting to list the Pacific walrus, the species’ likelihood of survival is in doubt. We encourage this subcommittee to direct the USFWS to prioritize the Pacific walrus listing by immediately moving forward with the listing process.

#### BUREAU OF LAND MANAGEMENT—WILD HORSE AND BURRO PROGRAM

The Humane Society of the United States (The HSUS) is one of the leading advocates for the protection and welfare of wild horses and burros in the United States with a long history of working collaboratively with the Bureau of Land Management (BLM)—the agency mandated to protect America’s wild horses and burros on the development of effective and humane management techniques. Wild free-roaming horses and burros deserve first to be given every chance to live out their lives wild and free, as the American public has clearly mandated and Congress has stated. When intervention is required, we owe them our best efforts to ensure that any human actions that affect their lives—such as gathers, transportation, confinement, and adoption—are done in a way to assure their humane treatment.

Therefore, The HSUS strongly supports a significant reduction in the number of wild horses and burros gathered and removed from our rangelands annually. We believe removing horses from the range without implementing any active program for suppressing the population growth rate is unsustainable, and simply leads to a con-

tinual cycle of roundups and removals when more long-term, cost-efficient and humane management strategies, such as fertility control, are readily available.

For years, the BLM has removed far more wild horses and burros from the range than it could possibly expect to adopt annually, and as a consequence, the costs associated with caring for these animals off the range have continued to skyrocket. For instance, between 2001 and 2007, the BLM removed approximately 74,000 (an average of about 10,600 animals per year) from the range, but could only place 3,000 horses a year, with the rest forced into holding facilities. The annual costs associated with caring for one wild horse in a long term holding facility is approximately \$500, and the average lifespan of a wild horse in captivity is 30 years. Today, there are more than 50,000 wild horses and burros in these pens. In the most recently completed fiscal year (2012), holding costs accounted for \$43 million (or 59 percent) out of a total wild horse and burro budget of \$74.9 million.

In the spring of 2011, we were encouraged by the BLM's announcement regarding the agency's intent to open "a new chapter in the management of wild horses, burros, and our public lands" by fast-tracking "fundamental reforms" to its current policies and procedures. Specifically, the agency announced that it would strengthen its commitment to the use of fertility control by significantly increasing the number of mares treated with fertility control—from 500 in 2009, to a target of 2,000 in each of the next 2 years. This represents a huge step in the right direction.

The idea of using fertility control to efficiently manage wild horses and burros on the range is nothing new, and one that we have been actively supporting and involved with for several decades. As early as 1982, the National Academy of Sciences (NAS) called on the BLM to use immunocontraception to manage wild horse and burro populations, finding it an effective technology and part of a proactive management strategy. And in its 1990 report on the BLM's wild horse management program, the U.S. Government Accountability Office (GAO) found that keeping excess animals in long-term holding was costly and recommended that BLM examine alternatives, such as treating animals with reproductive controls and releasing them back to the range.<sup>1</sup> Further, a 2008 paper determined that contraception on-the-range could reduce total wild horse and burro management costs by 14 percent, saving \$6.1 million per year.<sup>2</sup> Finally, the results of an economic model commissioned by The HSUS indicates that by treating wild horses and burros with the fertility control vaccine Porcine Zona Pellucida (PZP), the BLM could save approximately \$204 million over 12 years while achieving and maintaining Appropriate Management Levels (AML) on wild horse Herd Management Areas (HMA) in the United States.

However, at the conclusion of fiscal year 2012, we were seriously disappointed when we learned that the BLM only treated and released 881 mares in fiscal year 2012 which means that BLM fell short of achieving its own management goals by more than 50 percent (see table Completed Fiscal Year 2012 Gathers under the heading Number of Mares Treated with Fertility Control: [http://www.blm.gov/wo/st/en/prog/whbprogram/herd\\_management/Data/completed\\_fy\\_12\\_gathers.html](http://www.blm.gov/wo/st/en/prog/whbprogram/herd_management/Data/completed_fy_12_gathers.html)).

Moreover, in its budget justification for fiscal year 2013, BLM provides no explanation for why it failed to meet its own management objectives for fiscal year 2012. In fact, for fiscal year 2013, specific goals for reducing population growth rates on the range are conspicuously absent—there's no mention of the agency's proposed strategy of treating and releasing 2,000 mares in fiscal year 2012 and fiscal year 2013 (see page 64 under the section titled Strategy for Managing Wild Horse and Burro Populations, Reducing Population Growth [http://www.doi.gov/budget/appropriations/2013/upload/FY2013\\_BLM\\_Greenbook.pdf](http://www.doi.gov/budget/appropriations/2013/upload/FY2013_BLM_Greenbook.pdf)).

This was a key component of the Proposed Strategy that the BLM finalized in March 2011, which was supposed to put the Wild Horse and Burro Program on a sustainable track and the agency has provided no justification whatsoever for its failure to meet its own management objectives. (See page 4 of the BLM's Caring for America's Wild Horses and Burros: [http://www.blm.gov/pgdata/etc/medialib/blm/wo/Communications\\_Directorate/public\\_affairs/wild\\_horse\\_and\\_burro/documents.Par.32058.File.dat/WHB\\_Fundamental\\_022411.pdf](http://www.blm.gov/pgdata/etc/medialib/blm/wo/Communications_Directorate/public_affairs/wild_horse_and_burro/documents.Par.32058.File.dat/WHB_Fundamental_022411.pdf).)

There are already over 50,000 wild horses and burros living in Government holding facilities today—that's almost twice the number of wild horses and burros living on our public lands, and as a result, the cost of caring for these animals off the range could more than double in a just a few years.

<sup>1</sup> GAO, *Rangeland Management: Improvements Needed in Federal Wild Horse Program*, GAO/RCED-90-110 (Washington, DC: Aug. 20, 1990).

<sup>2</sup> Bartholow, J. 2007. Economic benefit of fertility control in wild horse populations. *J. Wildl. Mgmt.* 71(8):2811-2819.

BLM must balance the number of animals removed from the range annually with the number of animals it can expect to adopt in a given year if it hopes to effectively reduce off-the-range management costs. For these reasons, we strongly support the BLM's request for a \$2 million budget increase to fund new research on contraception and population growth suppression methods. Developing additional methods to reduce wild horse population growth will allow the agency to maintain healthy herds while reducing the need for costly removal regimes that will further flood government holding facilities with additional animals.

Again, we commend the Secretary and the BLM for taking critical steps toward a more sustainable wild horse management program and believe the subcommittee's guidance and support for humane and sustainable management will further the implementation of a program that will be of great benefit not only to our Nation's beloved wild horse populations, but also to the American taxpayer.

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PREPARED STATEMENT OF THE INTERSTATE MINING COMPACT COMMISSION

My name is Gregory E. Conrad and I serve as executive director of the Interstate Mining Compact Commission. I appreciate the opportunity to present this statement to the subcommittee regarding the views of the Compact's 25 member States on the fiscal year 2014 budget request for the Office of Surface Mining Reclamation and Enforcement (OSM) within the U.S. Department of the Interior. In its proposed budget, OSM is requesting \$57.7 million to fund title V grants to States and Indian tribes for the implementation of their regulatory programs, a reduction of \$10.9 million or 15 percent below the fiscal year 2012 enacted level. OSM also proposes to reduce mandatory spending for the abandoned mine lands (AML) program by \$67 million pursuant to a legislative proposal to eliminate all AML funding for certified States and tribes.

The Compact is comprised of 25 States that together produce some 95 percent of the Nation's coal, as well as important noncoal minerals. The Compact's purposes are to advance the protection and restoration of land, water and other resources affected by mining through the encouragement of programs in each of the party States that will achieve comparable results in protecting, conserving and improving the usefulness of natural resources and to assist in achieving and maintaining an efficient, productive and economically viable mining industry.

OSM has projected an amount of \$57.7 million for title V grants to States and tribes in fiscal year 2014, an amount which is matched by the States each year. These grants support the implementation of State and tribal regulatory programs under the Surface Mining Control and Reclamation Act (SMCRA) and as such are essential to the full and effective operation of those programs. Pursuant to these primacy programs, the States have the most direct and critical responsibilities for conducting regulatory operations to minimize the impact of coal extraction operations on people and the environment. The States accomplish this through a combination of permitting, inspection and enforcement duties, designating lands as unsuitable for mining operations, and ensuring that timely reclamation occurs after mining.

In fiscal year 2012, Congress approved \$68.7 million for State title V grants, an amount that appears to have been reauthorized again in fiscal year 2013 pursuant to the Continuing Resolution adopted in March.<sup>1</sup> This continued a much-needed trend whereby the amount appropriated for these regulatory grants aligned with the demonstrated needs of the States and tribes. The States are greatly encouraged by amounts approved by Congress for title V funding over the past several fiscal years. Even with mandated rescissions and the allocations for tribal primacy programs, the States saw a \$12 million increase for our regulatory programs over fiscal year 2007 levels. State title V grants had been stagnant for over 12 years and the gap between the States' requests and what they received was widening. This debilitating trend was compounding the problems caused by inflation and uncontrollable costs, thus undermining our efforts to realize needed program improvements and enhancements and jeopardizing our efforts to minimize the potential adverse impacts of coal extraction operations on people and the environment.

In its fiscal year 2014 budget, OSM has once again attempted to reverse course and essentially unravel and undermine the progress made by Congress in supporting State programs with adequate funding. As States prepare their future budg-

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<sup>1</sup>In approving this amount for State grant funding in fiscal year 2013, the subcommittee noted that: "Federal regulatory grants to primacy States results in the highest benefit and the lowest cost to taxpayers, and if a State were to relinquish primacy, OSM would have to hire and train sufficient numbers and types of Federal employees. The cost to implement the Federal program would be significantly higher and as such the Committee summarily rejects the proposal [to cut funding for State regulatory grants]."

ets, we trust that the recent increases approved by Congress will remain the new base on which we build our programs. Given fiscal constraints on State budgets from the downturn in the economy, some States have only recently been able to move beyond hiring and salary freezes and restrictions on equipment and vehicle purchases, all of which have inhibited States' ability to spend all of their Federal grant money. A clear message from Congress that reliable, consistent funding will continue into the future will do much to stimulate support for these programs by State legislatures and budget officers who each year, in the face of difficult fiscal climates and constraints, are also dealing with the challenge of matching Federal grant dollars with State funds. Please keep in mind that a 15 percent cut in Federal funding generally translates to an additional 15 percent cut for overall program funding for many States, especially those without Federal lands, since these States can generally only match what they receive in Federal money.

It is important to note that OSM does not disagree with the States' demonstrated need for the requested amount of funding for title V regulatory grants. Instead, OSM's solution for the drastic cuts comes in the way of an unrealistic assumption that the States can simply increase user fees in an effort to "eliminate a de facto subsidy of the coal industry." No specifics on how the States are to accomplish this far-reaching proposal are set forth, other than an expectation that they will do so in the course of a single fiscal year. OSM's proposal is completely out of touch with the realities associated with establishing or enhancing user fees, especially given the need for approvals by State legislatures. IMCC's polling of its member States confirmed that, given the current fiscal and political implications of such an initiative, it will be difficult, if not impossible, for most States to accomplish this feat at all, let alone in less than 1 year. OSM is well aware of this, and yet has every intention of aggressively moving forward with a proposal that was poorly conceived from its inception. We strongly urge the subcommittee to reject this approach and mandate that OSM work through the complexities associated with any future user fees proposal in close cooperation with the States and tribes prior to cutting Federal funding for State title V grants.<sup>2</sup>

At the same time that OSM is proposing significant cuts for State programs, the agency is proposing sizeable increases for its own program operations (\$4 million) for Federal oversight of State programs, including an increase of 19 FTEs. In making the case for its funding increase, OSM's budget justification document contains vague references to the need "to improve the implementation of existing laws" and to "strengthen OSM's skills base." More specifically, OSM states in its budget justification document (on page 62) that "with greater technical skills, OSM anticipates improved evaluation of permit-related actions and resolution of issues to prevent unanticipated situations that otherwise may occur as operations progress, thereby improving implementation of existing laws." In our view, this is code language for enhanced and expanded Federal oversight of State programs and reflects a move by OSM to exert a more direct role in State programs, especially regarding permitting decisions, thereby weakening State primacy. However, without more to justify the need for more oversight and the concomitant increase in funding for Federal operations related thereto, Congress should reject this request. The overall performance of the States as detailed in OSM's annual State program evaluation reports demonstrates that the States are implementing their programs effectively and in accordance with the purposes and objectives of SMCRA.<sup>3</sup>

<sup>2</sup>It has taken OSM over 3 years to develop a proposal of its own for cost recovery that will apply to Federal and Indian Lands programs where OSM is the regulatory authority. On April 4, OSM republished a proposed rule (78 Fed. Reg. 20394) that would adjust existing permit fees and assess new fees to recover the actual costs for permit review and administration and permit enforcement activities provided to the coal industry. Comments on the proposal are due May 28. The States have not yet had an opportunity to review the rule, which OSM has asserted could serve as a template for similar efforts by the States. Regardless of whether this is the case, and contrary to OSM's implication that the States should have already moved forward with similar proposals of their own based on the fact that OSM has included this suggested approach in its last three proposed budgets, OSM is well aware of the complexities associated with a proposal of this magnitude for the States based on extensive information we have provided to the agency. We are happy to share that information with the subcommittee as well. It will clearly take more than a single fiscal year for the States to seriously consider and undertake such an effort. And most importantly, the subcommittee has directed OSM in each of the past 3 fiscal years "to discontinue efforts to push States to raise fees on industry as the bill provides the funds necessary for States to run their regulatory programs."

<sup>3</sup>The subcommittee agreed with this assessment when it commented as follows on OSM's proposed increase in fiscal year 2013: "The Committee similarly rejects the proposal to increase inspections and enhanced Federal oversight of State regulatory programs. Delegation of the authority to the States is the cornerstone of the surface mining regulatory program, and State reg-

In our view, this suggests that OSM is adequately accomplishing its statutory oversight obligations with current Federal program funding and that any increased workloads are likely to fall upon the States, which have primary responsibility for implementing appropriate adjustments to their programs identified during Federal oversight. In this regard, we note that the Federal courts have made it abundantly clear that SMCRA's allocation of exclusive jurisdiction to the States was "careful and deliberate" and that Congress provided for "mutually exclusive regulation by either the Secretary or State, but not both." *Bragg v. West Virginia Coal Ass'n*, 248 F. 3d 275, 293-4 (4th Cir. 2001), cert. denied, 534 U.S. 1113 (2002). While the courts have ruled consistently on this matter, the question remains for Congress and the administration to determine, in light of deficit reduction and spending cuts, how the limited amount of Federal funding for the regulation of surface coal mining and reclamation operations under SMCRA will be directed—to OSM or the States. For all the above reasons, we urge Congress to approve not less than \$71 million for State and tribal title V regulatory grants, as fully documented in the States' and tribes' estimates for actual program operating costs.<sup>4</sup>

With regard to funding for State title IV Abandoned Mine Land (AML) program grants, congressional action in 2006 to reauthorize title IV of SMCRA has significantly changed the method by which State reclamation grants are funded. Beginning with fiscal year 2008, State title IV grants are funded primarily by mandatory appropriations. As a result, the States should have received a total of \$340 million in fiscal year 2014. Instead, OSM has budgeted an amount of \$273 million based on an ill-conceived proposal to eliminate mandatory AML funding to States and tribes that have been certified as completing their abandoned coal reclamation programs. This \$67 million reduction repudiates the comprehensive restructuring of the AML program that was passed by Congress in 2006, following over 10 years of congressional debate and hard fought compromise among the affected parties. We urge the Congress to reject this unjustified, ill-conceived proposal, delete it from the budget and restore the full mandatory funding amount of \$340 million. We also endorse the statement of the National Association of Abandoned Mine Land Programs (NAAML) which goes into greater detail regarding the implications of OSM's legislative proposal for the States and tribes.

We also urge Congress to approve continued funding for the AML emergency program. In a continuing effort to ignore congressional direction, OSM's budget would completely eliminate funding for State-run emergency programs and also for Federal emergency projects (in those States that do not administer their own emergency programs). Funding the OSM emergency program should be a top priority for OSM's discretionary spending. This funding has allowed the States and OSM to address the unanticipated AML emergencies that inevitably occur each year. In States that have federally operated emergency programs, the State AML programs are not structured or staffed to move quickly to address these dangers and safeguard the coalfield citizens whose lives and property are threatened by these unforeseen and often debilitating events. And for minimum program States, emergency funding is critical to preserve the limited resources available to them under the current funding formula. We therefore request that Congress restore funding for the AML emergency program in OSM's fiscal year 2014 budget.

We further ask the subcommittee to support funding for OSM's training program, including moneys for State travel. These programs are central to the effective implementation of State regulatory programs as they provide necessary training and continuing education for State agency personnel. We note that the States provide nearly half of the instructors for OSM's training course and, through IMCC, sponsor and staff benchmarking workshops on key regulatory program topics. IMCC also urges the subcommittee to support funding for TIPS, a program that directly benefits the

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ulatory programs do not need enhanced Federal oversight to ensure continued implementation of a protective regulatory framework. Accordingly, the Committee has not provided the \$3,994,000 and 25 FTE increase requested for those activities within the Regulation and Technology account." Furthermore, the States are confounded by OSM's desire to increase its staff by 19 FTEs when it currently has more than twice that number of unfilled positions in the agency. Is OSM attempting to add 19 new FTEs, or fill a portion of the vacancies? In either event, the \$4 million intended for this purpose is better spent by the States in their role as the primary enforcement and permitting SMCRA authority, rather than by OSM oversight to second guess State decisions.

<sup>4</sup>We are particularly concerned about recent OSM initiatives, primarily by policy directive, to duplicate and/or second-guess State permitting decisions through the reflexive use of "Ten-Day Notices" as part of increased Federal oversight or through Federal responses to citizen complaints. Aside from the impact on limited State and Federal resources, these actions undermine the principles of primacy that underscore SMCRA and are likely to have debilitating impacts on the State-Federal partnership envisioned by the act.



States by providing critical technical assistance. Finally, we support funding for the Watershed Cooperative Agreements in the amount of \$1.2 million.

Attached to our testimony today is a list of questions concerning OSM's budget that we request be included in the record for the hearing. The questions go into further detail concerning several aspects of the budget that we believe should be answered before Congress approves funding for the agency or considers advancing the legislative proposals contained in the budget.

#### QUESTIONS RE OSM'S PROPOSED FISCAL YEAR 2014 BUDGET

What does OSM plan to do with the additional \$4 million that has been budgeted for "enhanced Federal oversight of State regulatory programs"? How does OSM justify an increase in money for Federal oversight while decreasing money for State title V grants? What is the demonstrated need for an additional 19 FTEs to perform Federal oversight of State programs? Will this not simply lead to duplication of effort, second-guessing of State decisionmaking, undermining of State primacy and wasted resources?

Why has OSM chosen to advocate for a hardrock AML reclamation fee to be collected by OSM but not distributed by OSM? Why bring another Federal agency (BLM) into the mix when OSM has the greater expertise in this area?

#### *Specific Questions Re Cost Recovery/User Fees*

OSM has requested an amount for State title V regulatory program grants in fiscal year 2014 that reflects an \$11 million decrease from fiscal year 2013. And while OSM does not dispute that the States are in need of an amount far greater than this, the agency has suggested once again that the States should be able to make up the difference between what OSM has budgeted and what States actually need by increasing cost recovery fees for services to the coal industry. What exactly will it take to accomplish this task?

Assuming the States take on this task, will amendments to their regulatory programs be required?

How long, in general, does it take OSM to approve a State program amendment?

The State of Alabama submitted a program amendment to OSM in May 2010 to raise current permit fees and authorize new, additional fees. It took OSM a full year to approve this amendment, resulting in lost fees of over \$50,000 to the State. If OSM is unable to approve requested State program amendments for permit fee increases in less than a year, how does the agency expect to handle mandated permit increases for all of the primacy States within a single fiscal year?

If OSM is not expecting to pursue this initiative in fiscal year 2014, why include such a proposal in the budget until OSM has worked out all of the details with the States in the first instance?

Speaking of which, what types of complexities is OSM anticipating with its proposal at the State level? Many of the States have already indicated to OSM that it will be next to impossible to advance a fee increase proposal given the political and fiscal climate they are facing.

OSM's solution seems to be that the agency will propose a rule to require States to increase permit fees nationwide. Won't this still require State program amendments to effectuate the Federal rule, as with all of OSM's rules? How does OSM envision accomplishing this if the States are unable to do it on their own?

Even if a Federal rulemaking requiring permit fee increase nationwide were to succeed, how does OSM envision assuring that these fees are returned to the States? Will OSM retain a portion of these fees for administrative purposes?

#### *Specific Questions Re Federal Program Increases*

In OSM's budget justification document, the agency also notes that the States permit and regulate 97 percent of the Nation's coal production and that OSM provides technical assistance, funding, training and technical tools to the States to support their programs. And yet OSM proposes in its budget to cut funding to the States by \$11 million while increasing OSM's own Federal operations budget by nearly \$4 million and 19 FTEs. How does OSM reconcile these seemingly contradictory positions?

OSM's budget justification document points out in more detail why it believes additional Federal resources will be needed based on its recent Federal oversight actions during fiscal year 2011, which included increased Federal inspections. Was OSM not in fact able to accomplish this enhanced oversight with its current resources? If not, where were resources found wanting? How much of the strain on the agency's resources was actually due to the stream protection rulemaking and EIS process?

In light of recent annual oversight reports over the past 6 years which demonstrate high levels of State performance, what is the justification for OSM's enhanced oversight initiatives and hence its Federal program increase?

Something has to give here—no doubt. There is only so much money that we can make available for the surface mining program under SMCRA. Both Congress and the courts have made it clear that the States are to exercise exclusive jurisdiction for the regulation of surface coal mining operations pursuant to the primacy regime under the law. It begs the questions of whether OSM has made the case for moving away from supporting the States and instead beefing up the Federal program. Unless the agency can come up with a better, more detailed justification for this realignment of resources, how can Congress support its budget proposal?

*Specific Questions Re OSM Oversight Initiative*

OSM has recently finalized a Ten-Day Notice directive (INE-35) that had previously been withdrawn in 2006 based on a decision by then Assistant Secretary of the Interior Rebecca Watson. The basis for terminating the previous directive was several court decisions that clarified the respective roles of State and Federal governments pursuant to the primacy regime contained in SMCRA. The Secretary's decision also focused on the inappropriate and unauthorized use of Ten-Day Notices under SMCRA to second-guess State permitting decisions. OSM's new TDN directive flies in the face of both this Secretarial decision and Federal court decisions. Does OSM have a new Secretarial decision on this matter? If not, how can its recent action overrule this prior decision? Has the Solicitor's office weighed in on this matter? If so, does OSM have an opinion supporting the agency's new TDN directive? Will OSM provide that to the committee?

In light of limited funding for the implementation of SMCRA, how does OSM justify the State and Federal expenses that will necessarily follow from reviewing and second-guessing State permitting decisions? States have complained that responding to a single OSM TDN, especially with respect to State permitting decisions, can require the investment of 2–3 FTEs for upwards of a week. How does OSM reconcile the State resources it will take to address TDNs with the proposed reductions in State title V grants, all of which will impact the State resources needed to ensure effective program operations?

QUESTIONS AND CONCERNS RE THE AML LEGISLATIVE PROPOSAL IN OSM'S FISCAL YEAR 2014 BUDGET

*Proposed Elimination of Funding for AML Emergencies*

While amendments to title IV of SMCRA in 2006 (Public Law 109-432) adjusted several provisions of the act, no changes were made to OSM's emergency powers in section 410. Quite to the contrary, section 402(g)(1)(D)(2) States that the Secretary shall ensure "strict compliance" with regard to the States' and tribes' use of non-emergency grant funds for the priorities listed in section 403(a), none of which include emergencies. The funding for the emergency program comes from the Secretary's discretionary share, pursuant to section 402(g)(3) of the act. This share currently stands at \$416 million. OSM's elimination of funding for the emergency program will result in the shift of approximately \$20 million annually that will have to be absorbed by the States. This is money that cannot be spent on high priority AML work (as required by SMCRA) and will require the realignment of State AML program operations in terms of personnel, project design and development, and construction capabilities. In most cases, depending on the nature and extent of an emergency project, it could preclude a State's ability to undertake any other AML work during the grant year (and even following years), especially for minimum program States. How does OSM envision States and tribes being able to meet their statutory responsibility to address high priority AML sites in light of the elimination of Federal funding for AML emergencies? How does OSM reconcile this proposal with the intentions of Congress expressed in the 2006 amendments to move more money out of the AML Fund sooner to address the backlog of AML problems that continue to linger?

*Proposed Elimination of Funding to Certified States and Tribes*

From what we can ascertain, OSM proposes to eliminate all payments to certified States and tribes—in lieu of funds; prior balance replacement funds; and monies that are due and owing in fiscal year 2018 and 2019 from the phase-in during fiscal years 2008 and 2009. Is this accurate? OSM says nothing of what the impact will be on non-certified States as a result of eliminating these payments to certified States and tribes—especially the equivalent payments that would otherwise be made to the historic production share that directly relate to "in lieu of" payments to certified States and tribes under section 411(h)(4). Previously, OSM has stated

that “the amounts that would have been allocated to certified States and tribes under section 402(g)(1) of SMCRA will be transferred to the historical production allocation on an annual basis to the extent that those States and tribes receive in lieu payments from the Treasury (through the Secretary of the Interior) under section 402(i) and 411(h)(2) of SMCRA.” By OSM’s own admission in its fiscal year 2014 proposed budget, this will amount to \$327 million over 10 years. If the in lieu payments are not made (as proposed), how can the transfer to historic production occur? The result, of course, would be a drastic impact on the historic production allocation otherwise available to uncertified States. Will OSM address this matter in its proposed legislation? If so, how?

Has OSM considered the fiscal and programmatic impacts that could result if the certified States and tribes, who no longer receive AML monies, choose to return their title V regulatory programs to OSM (especially given the severe reductions being proposed for fiscal year 2013 in title V grants)?

Finally, how do the cuts in the title IV program line up with the administration’s other economic, fiscal and environmental objectives as articulated in the deficit reduction and jobs bills that have been considered by Congress? These objectives include environmental stewardship, cleaning up abandoned mines (coal and noncoal) nationwide, creating green jobs, pumping dollars into local communities, putting money to work on the ground in an expeditious manner, sustainable development, infrastructure improvements, alternative energy projects, protecting public health and safety, and improving the environment. It seems to us that there is a serious disconnect here and we remain mystified as to how these laudable objectives and OSM’s budget proposal can be reconciled.

#### RESOLUTION

##### INTERSTATE MINING COMPACT COMMISSION

###### BE IT KNOWN THAT:

WHEREAS, the Surface Mining Control and Reclamation Act of 1977 (SMCRA) provides for the vesting of exclusive jurisdiction with the States for the regulation of surface coal mining and reclamation operations within their borders following approval of a State program by the Secretary of the Interior; and

WHEREAS, over the past 35 years, the States have established and been recognized for their commitment to implementing the goals and objectives of SMCRA; and

WHEREAS, under the primacy regime envisioned by Congress under SMCRA, a stable, consistent and effective State/Federal partnership was anticipated based on principles of comity and federalism; and

WHEREAS, a disregard for these principles will undermine the effective implementation of SMCRA; and

WHEREAS, pursuant to the enhanced Federal oversight initiative contained in the June 2009 Memorandum of Understanding between the U.S. Department of the Interior, the U.S. Environmental Protection Agency and the U.S. Army Corps of Engineers, the Office of Surface Mining Reclamation and Enforcement (OSMRE) has issued three directives concerning the use of Ten-Day Notices (INE-35) in primacy States and the annual evaluation of State program implementation (Reg-8 and Reg-23); and

WHEREAS, the result of these directives has been a noticeable increase in the issuance of TDNs in primacy States and in some cases, as a follow on to the TDNs, the filing of notices of intent to sue and/or complaints for declaratory action; and

WHEREAS, these actions result in a significant drain on limited State resources for the implementation of regulatory programs and often erode the State/Federal working relationship under SMCRA

###### NOW THEREFORE BE IT RESOLVED:

That the Interstate Mining Compact Commission reasserts its commitment to the principles of primacy and federalism that underlie implementation of the Surface Mining Control and Reclamation Act of 1977; and

That the IMCC looks for the same commitment from the Interior Department and the Office of Surface Mining Reclamation and Enforcement and anticipates the continuation of an effective State/Federal partnership under SMCRA; and

That, in light of the above, the IMCC urges OSMRE to work cooperatively with the States to reevaluate and potentially redesign Directives INE-35, REG-8 and REG-23 and their implementation to address State concerns.

Issued this 12th day of October, 2012

ATTEST:

Gregory E. Conrad  
Executive Director

## PREPARED STATEMENT OF THE INDEPENDENT TRIBAL COURTS REVIEW TEAM

Thank you for the opportunity to provide written testimony on the fiscal year 2014 budget priorities for the Bureau of Indian Affairs. I would like to address the serious funding needs that are limited and continue to hinder the operations of tribal judicial systems in Indian Country. I am the Lead Judge representing the Independent Tribal Court Review Team. We thank this subcommittee for the additional \$10 million funding in fiscal year 2010. These funds were a blessing to tribes. Even minimal increases were put to good use. It is the strong recommendation of the Independent Tribal Courts Review Team that the Federal Tribal Courts budget be substantially increased in fiscal year 2014 to support the needs of Tribal judicial systems.

## BUDGET PRIORITIES, REQUESTS AND RECOMMENDATIONS

+ \$10 million increase for Tribal Courts above the fiscal year 2010 enacted level.  
 + \$58.4 million authorized under the Indian Tribal Justice Act of 1993, Public Law 103-176, 25 U.S.C. 3601 and re-authorized in year 2000 Public Law 106-559 (no funds have been appropriated to date).

Support the requests and recommendations of the National Congress of American Indians.

The increase will support:

- Hiring and Training of Court Personnel;
- Compliance with the Tribal Law and Order Act of 2010;
- Compliance with the VAWA Act of 2013;
- Salary Increases for Existing Judges and Court Personnel;
- State-of-the-Art Technology for Tribal Courts;
- Security and Security Systems to Protect Court Records and Privacy of Case Information;
- Tribal Court Code Development; and
- Financial Code Development.

The Independent Court Review Team supports the proposed \$1 million increase in the fiscal year 2014 President's budget. The fight against crime and drugs has led to more arrests which is increasing the caseload in the Tribal Court System. The continuing implementation of the Tribal Law and Order Act (TLOA) and the recent enactment of the Violence Against Women Act (VAWA), further strains the capacity of the Tribal Judicial System which is underfunded, understaffed and ill-equipped to function effectively and in a manner comparable to non-Indian government judicial systems. Tribal Courts are at a critical stage in terms of need.

## BACKGROUND

The Bureau of Indian Affairs (BIA) within the Department of the Interior provides funding to Tribal governments to supplement their justice systems including courts. Tribal courts play a "vital role" in Tribal Self-Determination and Self-Governance as cited in long-standing Federal policy and acts of Congress. Funding levels from BIA to support Tribal justice systems have not met the Federal obligations.

There is a great deal of variation in the types of Tribal courts and how they apply laws. Some Tribal courts resemble Western-style courts in that written laws and court procedures are applied. Others use traditional Native means of resolving disputes, such as peacemaking, elders' councils, and sentencing circles. Some Tribes have both types of courts. The Bureau of Indian Affairs (BIA) also manages a small number of CFR (Code of Federal Regulations) courts.

Since 1999, the Bureau of Justice Assistance in the Department of Justice has administered the Tribal Courts Assistance Program, designed to provide funds for Tribes to plan, operate, and enhance Tribal judicial systems. They have made attempts to evaluate Tribal Courts but discovered their means of doing so was insensitive to American Indian and Alaska Native (AI/AN) people and unrealistic in the absence of elements that were key to Indian Country, such as: (1) the importance of Tribal culture and traditions; (2) the inability to apply State and local criminal justice initiatives to Tribal settings; (3) the lack of cooperation from non-Tribal entities; and (4) the lack of available data on Tribal Justice.

The Independent Court Review Team has had more hands on success in reviewing Tribal Court Systems. For approximately 7 years, we have been traveling throughout Indian Country assessing how Tribal Courts are operating. During this time, we have completed 84 court reviews. We also completed 28 Corrective Actions. There is no one with more hands-on experience and knowledge regarding the current status of Tribal Courts than our Review Team.

## JUSTIFICATION FOR REQUEST

*Hiring and Training of Court Personnel.*—Tribal Courts make do with underpaid staff, underexperienced staff and minimal training. (We have determined that hiring Tribal members limits the inclination of staff to move away; a poor excuse to underpay staff.)

*Compliance with the Tribal Law & Order Act of 2010.*—To provide Judges, Prosecutors, Public Defenders, who are attorneys and who are barred to do “enhanced sentencing” in Tribal courts.

*Compliance with the 2013 VAWA Act.*—To provide Tribal Courts with the ability to provide non-Indians with all the rights under the U.S. Constitution in domestic violence actions in Tribal courts (12 person juries, provide attorneys for non-Indians, provide attorneys in court personnel in domestic violence cases as in TLOA, etc.).

*Salary Increases for Existing Judges and Court Personnel.*—Salaries should be comparable to local and State Court personnel to keep pace with the non-Tribal judicial systems and be competitive to maintain existing personnel.

*Tribal Courts Need State-of-the-Art Technology (software, computers, phone systems, tape recording machines).*—Many Tribes cannot afford to purchase or upgrade existing court equipment unless they get a grant. This is accompanied by training expenses and licensing fees which do not last after the grant ends.

*Security and Security Systems to Protect Court Records and Privacy of Case Information.*—Most Tribal Courts do not even have a full time Bailiff, much less a state-of-the-art security system that uses locked doors and camera surveillance. This is a tragedy waiting to happen.

*Tribal Court Code Development.*—Tribes cannot afford legal consultation. A small number of Tribes hire on-site staff attorneys. These staff attorneys generally become enmeshed in economic development and code development does not take priority. Tribes make do with under-developed Codes. The Adam Walsh Act created a hardship for Tribes who were forced to develop codes, without funding, or have the State assume jurisdiction. (States have never properly overseen law enforcement in a Tribal jurisdiction.)

*Financial Code Development.*—We have rarely seen Tribes with developed financial policies. The process of paying a bond, for example, varies greatly from tribe to tribe. The usual process of who collects it, where it is collected and how much it is, is never consistent among tribes.

## TRIBAL COURTS REVIEW

There are many positive aspects about Tribal Courts. It is clear that Tribal Courts and justice systems are vital and important to the communities where they are located. Tribes value and want to be proud of their Court systems. Tribes with even modest resources tend to allocate funding to Courts before other costs. After decades of existence, many Tribal Courts, despite minimal funding, have achieved a level of experience and sophistication approaching, and in some cases surpassing, local non-Indian Courts.

Tribal Courts, through the Indian Child Welfare Act, have mostly stopped the wholesale removal of Indian children from their families. Indian and Non-Indian Courts have developed formal and informal agreements regarding jurisdiction. Tribal governments have recognized the benefit of having law-trained Judges, without doing away with Judges who have cultural/traditional experience. Tribal Court systems have Appellate Courts, jury trials, well-cared-for Courthouses (even the poorer Tribes), and Tribal Bar listings and fees. Perhaps most importantly, Tribes recognize the benefit of an independent judiciary and have taken steps to insulate Courts and Judges from political pressure. No longer in Indian country are Judges automatically fired for decisions against the legislature.

Nationwide, there are 184 Tribes with Courts that received \$23.47 million in Federal funding in 2012. The Review Team’s Assessments have indicated that the Bureau of Indian Affairs only funds Tribal Courts at 26 percent of the funding needed to operate. Now BIA faces \$114 million in cuts and Tribal courts face 5 percent cuts plus .9 percent reduction due to the budget sequester/budget cuts. Tribes who have economic development generally subsidize their Tribal Courts. On the flip side, Tribes who cannot afford to assist in the financial operations of the Court are tasked with doing the best they can with what they have even at the expense of decreasing or eliminating services elsewhere. This while operating at a disadvantage with already overstrained resources and underserved needs of the Tribal citizens. The assessment suggests that the smaller Courts are both the busiest and most underfunded.

The grant funding in the DOJ is intended to be temporary, but instead it is used for permanent needs; such as funding a Drug Court Clerk who then is used as a

Court Clerk with Drug Court duties. When the funding runs out, so does the permanent position. We have witnessed many failed Drug Courts, failed Court management software projects (due to training costs) and incomplete Code development projects. When the Justice funding runs out, so does the Project.

As a directive from the Office of Management and Budget in fiscal year 2005, our Reviews specifically examined how Tribes were using Federal funding. In the 7 fiscal years through June of fiscal year 2011 there were only two isolated incidents of a questionable expenditure of Federal funds. It has been speculated that because of our limited resources, we compromise a person's due process and invoke "speedy trials" violations to save Tribal Courts money. Everyone who is processed through the Tribal judicial system is afforded their Constitutional civil liberties and civil rights.

We do not wish to leave an entirely negative impression about Tribal Courts. Tribal Courts need an immediate, sustained and increased level of funding. True. However, there are strong indications that the Courts will put such funding to good use.

There are several courts where the roofs leak when it rains and those court houses cannot be fixed due to lack of sufficient funds. The Team took pictures of those damaged ceilings for the BIA hoping to have additional funds for the Tribes to fix the damaged ceilings.

Tribal Courts have other serious needs. Tribal Appellate Court Judges are mostly Attorneys who dedicate their services for modest fees that barely cover costs for copying and transcription fees. Tribal Courts do offer Jury Trials. In many Courts, one sustained Jury Trial will deplete the available budget. The only place to minimize expenses is to fire staff. Many Tribal Courts have Defense Advocates. These advocates are generally not law trained and do a good job protecting an individual's rights (including assuring speedy trial limitations are not violated). However, this is a large item in Court budgets and if the defense advocate, or Prosecutor, should leave, the replacement process is slow.

This Congress and this administration can do something great. Put your money where your promises have been and support the acts you have passed. Thank you.

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#### PREPARED STATEMENT OF THE INTER TRIBAL BUFFALO COUNCIL

##### INTRODUCTION AND BACKGROUND

My name is Ervin Carlson and I am a member of the Blackfeet Nation in Montana and the President of the Inter Tribal Buffalo Council (ITBC). Please accept my sincere appreciation for this opportunity to submit written testimony to the honorable members of the Senate Committee on Appropriations; Subcommittee on the Interior, Environment, and Related Agencies. ITBC was granted a Federal charter in 2009 pursuant to section 17 of the Indian Reorganization Act and is comprised of 58 federally recognized Indian Tribes in 19 States with headquarter offices in Rapid City, South Dakota. On behalf of the member Tribes of ITBC I would like to address the following issues: (1) request an appropriation of \$3 million for fiscal year 2014, from the Department of Interior, Bureau of Indian Affairs, Operation of Indian Programs, to enhance and maintain ongoing buffalo restoration efforts, ensure the availability of highly qualified technical assistance for herd health and maintenance, implement a sustainable marketing initiative and reinforce ITBC's health initiative utilizing buffalo to treat and prevent diet related diseases among American Indian populations; (2) explain to the subcommittee the unmet needs of the members of ITBC; and (3) update the subcommittee on the present initiatives of ITBC.

American Indians have a significant, long-standing connection with the American buffalo, also known as bison. Historically, buffalo provided the Tribes with food, shelter, clothing and essential tools for survival; thus, the health of the Indians depended on the health and existence of the buffalo. In the 1800s, the systematic destruction of the buffalo paralleled the termination of the Indian's nomadic lifestyle resulting in extreme suffering to both. The needless slaughter of over 60 million buffalo by the onset of the 20th century not only nearly extinguished this great animal but devastated the American Indian. Despite the near destruction of the buffalo, Indians maintained a strong spiritual and cultural connection with the buffalo that has not diminished with the passage of time. This undying connection motivated multiple Tribes to unite and organize ITBC to re-establish and preserve the sacred relationship between Indian people and the buffalo through the restoration of buffalo to Tribal lands. ITBC Tribes believed the restoration of buffalo on Tribal lands would create numerous cultural, health and economic opportunities for Tribes. ITBC was keenly aware that numerous Indian Reservations are unsuitable for large scale

farming or ranching but ideal for maintaining buffalo herds that are a native species of North American ecosystems and have been for thousands of years.

ITBC formally organized and first received Federal funding in 1992, with 1,500 buffalo managed by less than 10 Tribes, to commence efforts to restore buffalo to Indian Country. Since then, Federal appropriations of \$1 million or less per year for herd development have allowed ITBC to successfully restore 15,000+ buffalo collectively to over 50 Reservations on more than 1 million acres of trust land. ITBC strives to assist Tribes with maintaining healthy, viable buffalo herds that will create opportunities to utilize buffalo for prevention and treatment of diet related diseases including diabetes, obesity, and cardio-vascular disease that impact Indian populations in epidemic proportions. Additionally, viable buffalo herds can evolve into successful economic development projects upon identification of reliable markets.

#### FUNDING REQUEST

The InterTribal Buffalo Council respectfully requests an appropriation for fiscal year 2014 in the amount of \$3 million. These funds would support activities to successfully accomplish ITBC goals and objectives as specifically described below. While ITBC's membership has grown from 10 Tribes to 56 and the number of buffalo from 1,500 to 15,000 over the last 20 years, Federal funding for herd development has been stagnant at \$1 million for the last 10 years. \$3 million would restore vital funding for marketing and health initiatives that was cut in fiscal year 2007 and has not been restored. This requested funding level of \$3 million will preserve Member Tribes' successful restoration efforts, restore ITBC's marketing initiative and restore the health initiatives, while simultaneously contributing to economically sustainable Tribal projects.

#### FUNDING SHORTFALL AND UNMET NEED

In fiscal year 2006, ITBC was funded through appropriations at \$4,150,000. However, the President's budget in fiscal year 2007 and fiscal year 2008 eliminated funding for ITBC. In 2007, ITBC obtained an earmark appropriation of \$1 million. In fiscal year 2008, ITBC received \$1 million for Herd Development Grants to Tribes from the BIA budget. In fiscal year 2009 ITBC received \$1 million for herd development grants through an earmark from the DOI, BIA budget and \$421,000 for ITBC administration from BIA fiscal year 2008 carryover funds. In fiscal year 2010, fiscal year 2011 and fiscal year 2012 ITBC has been in the BIA budget at the level of \$1.4 million. The President's fiscal year 2013 budget included \$1,406,000 for ITBC but due to the continuing resolution and sequestration a final funding level is uncertain. The reduction in funding from the fiscal year 2006 level critically curtailed ITBC's successful marketing program at a point when Tribes were close to accessing secure markets that would facilitate self-sustaining herds. Further, the funding cut seriously reduced efforts to solidify the ITBC Health Initiatives that had the potential to positively impact the incidence of diet related health problems among American Indians.

ITBC is structured as a member cooperative and 100 percent of the appropriated funds are expended on the development and support of Tribal buffalo herds and buffalo product business ventures. A significant portion of ITBC funding is distributed directly to ITBC member Tribes via a Herd Development Grant program developed and administered by the ITBC members.

A recent survey of ITBC Tribes indicates unmet project needs at an approximate cost of \$13 million. These project needs range from staffing needs to infrastructure including fencing, water development, harvesting and processing needs. Specific Tribal Bison Project Proposal summaries detail the unmet needs for each member Tribe and are on file with ITBC and available for your review.

#### ITBC GOALS

ITBC's primary objectives are to restore buffalo to Tribal lands, conserve and enhance existing Tribal herds through the promotion of traditional Tribal practices and beliefs. ITBC strives to offer assistance and opportunities to Tribes that meet the needs and desires of individual Tribal programs. ITBC attempts to balance the varying interests of member Tribes from maintaining herds for spiritual purposes to utilizing buffalo as viable agricultural business efforts. ITBC accomplishes these objectives via the following actions:

—Providing direct services to the Tribes to assist with restoration of buffalo to Indian lands, conservation and enhancement of existing Tribal bison herds;

*Technical Assistance.*—ITBC assesses current and potential Tribal buffalo programs to determine technical service needs and infrastructure needs and

provides technical assistance in the areas of wildlife management, ecological management, range management, buffalo health, cultural practices and economic development. Further ITBC assists with fencing, corrals, facility design, water development and equipment research. ITBC provides annual training sessions (national and regional) designed to enhance Tribal bison management.

*Surplus Bison Program.*—ITBC collaborates with the National Park Service and the U.S. Fish and Wildlife Service to obtain surplus bison from National Parks for distribution to Tribal Buffalo Projects at no cost.

- Developing professional relationships with all levels of Federal and State governments, wildlife organizations and conservation groups to protect and preserve the future of buffalo and their habitat, through education and awareness programs;

*Education and Outreach.*—ITBC staff provides educational presentations on bison restoration, conservation efforts, and the historical, cultural relationship between bison and American Indians.

*Partnership and Collaboration.*—ITBC is a member of various working groups, comprised of Federal and State agencies organized to address bison issues. ITBC is a full partner on the Inter Agency Bison Management partnership established to address the Yellowstone National Park bison/brucellosis issue.

- Support Tribal economic efforts that utilize buffalo:

*Cooperative Marketing Program.*—ITBC strives to develop markets for bison meat and products for interested member Tribes. ITBC procures bison from Tribes and sells the meat products under the ITBC label. ITBC currently sells meat to the National Museum of the American Indian in Washington, DC and seeks additional specialized consumers and markets.

- Implement a healthcare initiative that educates American Indian populations on the benefits of Indian produced buffalo meat in their daily diets.

*Outreach and Education.*—ITBC staff will provide educational programs and materials to Tribes, regarding the benefits of incorporating low fat buffalo meat into their regular diets to combat diet related health problems.

*Healthcare Initiative.*—ITBC intends to develop and implement a project that incorporates buffalo meat into the Flandreau Santee Sioux Elderly Nutrition Program and Flandreau Indian School in coordination with the Flandreau Santee Sioux Tribal Health Department and the South Dakota State University. This effort will serve as a model for other Indian reservation collaborations to utilize buffalo meat to address health concerns. ITBC will purchase buffalo from ITBC member Tribes, process and distribute the meat to participating individuals for this program.

#### CONCLUSION

ITBC has existed for 20 years to assist Tribes with restoration of buffalo to Tribal lands initially for cultural purposes and now evolving into sustainable herds that may support economic development efforts. No other national program exists to assist Tribes with buffalo restoration and protection.

ITBC and its member Tribes have created a new Indian Reservation industry that includes job creation and new revenue for the Tribal economies. ITBC ultimately hopes to restore Tribal herds large enough to support local Tribal health needs and generate sufficient revenue to achieve economically self-sufficient herds.

ITBC and its member Tribes are appreciative of past and current support from Congress and the administration. I urge the committee to consider restoring ITBC funding close to the fiscal year 2006 level of \$3 million to enhance ITBC's abilities to serve its member Tribes and meet the objectives outlined above.

I would like to thank this subcommittee for the opportunity to present testimony and I invite you to visit ITBC Tribal buffalo projects and experience first hand their successes.

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#### PREPARED STATEMENT OF THE IZAAK WALTON LEAGUE OF AMERICA

The Izaak Walton League of America appreciates the opportunity to submit testimony for the record concerning appropriations for fiscal year 2014 for various agencies and programs under the jurisdiction of the subcommittee. The League is a national, nonprofit organization with more than 41,000 members and 250 local chapters nationwide. Our members are committed to advancing common sense policies that safeguard wildlife and habitat, support community-based conservation, and address pressing environmental issues. The following pertains to programs adminis-



tered by the Departments of Agriculture and Interior, Fish and Wildlife Service, U.S. Geological Survey, and Environmental Protection Agency.

KEEP FISCAL YEAR 2014 BILL FREE OF EXTRANEIOUS POLICY PROVISIONS

The League strongly urges the subcommittee not to include or accept any provision in its fiscal year 2014 bill barring the Environmental Protection Agency (EPA) from finalizing and implementing Clean Water Act guidance or proceeding with the formal rulemaking process to revise its clean water regulations. Our organization and other hunting, angling and conservation groups across the country actively opposed similar provisions in previous bills.

Since proposing draft guidance in April 2011, EPA has conducted a nearly unprecedented public engagement process for agency guidance. During this process, EPA and the Army Corps of Engineers held a 90-day public comment period. The agencies received more than 230,000 comments and have publicly reported that 90 percent of individual comments supported the proposal. In mid-February 2012, the Corps and EPA submitted revised guidance to the Office of Management and Budget (OMB) for another round of inter-agency review. This process also allows non-governmental organizations to meet with OMB to discuss this policy.

Guidance proposed by EPA and the Corps is based on sound science and clearly complies with the Supreme Court decisions in *SWANCC* and *Rapanos*. Allowing EPA to proceed with guidance will partially restore protections for streams flowing to public drinking water supplies for 117 million Americans. It will also begin—but only begin—to restore protections for some wetlands. Healthy wetlands provide essential habitat for waterfowl, fish, and other wildlife, offer cost-effective flood protection, and improve water quality. They also support hunting, angling, and wildlife watching, which together inject \$145 billion annually into our economy. Finalizing the guidance will also provide more clarity and certainty about Clean Water Act implementation to landowners, developers, agency personnel, and State and local governments.

DEPARTMENTS OF AGRICULTURE AND THE INTERIOR, LAND AND WATER CONSERVATION FUND

The League supports the administration's request for a total of \$600 million (\$200 million in permanent funding and \$400 million in discretionary funding) for the LWCF in fiscal year 2014. It is important to begin to reinvest in strategic land acquisition to protect critical habitat, secure valuable in-holdings, and expand recreational access to existing Federal public lands. Dramatically reducing funding for LWCF will not provide meaningful savings to taxpayers because it is capitalized with revenue from off-shore oil and gas drilling. As importantly, diverting resources from LWCF to offset other expenditures from the general treasury directly undermines the fundamental premise on which LWCF is based. That common sense premise is a portion of the revenue generated by natural resource extraction should be invested in conserving other natural resources at the national, regional, and State levels.

FISH AND WILDLIFE SERVICE, NATIONAL WILDLIFE REFUGE SYSTEM OPERATIONS AND MAINTENANCE

The League joins other members of the Cooperative Alliance for Refuge Enhancement (CARE), a diverse coalition of 22 wildlife, sporting, conservation, and scientific organizations representing approximately 15 million of members and supporters, in supporting the \$499 million requested for operations and maintenance of the National Wildlife Refuge system.

The League and CARE groups appreciate the importance of fiscal discipline and making strategic spending decisions. CARE annually develops an estimate of the operations and maintenance budget that is necessary to effectively provide visitor services and law enforcement and conserve and manage fish, wildlife, and habitat across the refuge system. CARE estimates operations and maintenance needs total at least \$900 million annually. Although our long-term goal is to make steady progress toward a budget which more accurately reflects demands on the ground, the fiscal year 2014 request balances fiscal responsibility with pressing resource conservation, visitor services, and law enforcement needs.

FISH AND WILDLIFE SERVICE, STATE AND TRIBAL WILDLIFE GRANTS

As a member of the Teaming with Wildlife Coalition, the League urges the subcommittee to provide at least \$61 million in fiscal year 2014 for State and Tribal Wildlife Grants. This amount equals the administration's request and the appropria-

tion for fiscal year 2012. State Wildlife Grants support proactive conservation projects aimed at preventing wildlife from becoming endangered. Experience shows that efforts to restore imperiled wildlife can be particularly contentious and costly when action is taken only after species are formally listed as threatened or endangered pursuant to the Endangered Species Act. State Wildlife Grants augment State and community-based efforts to safeguard habitat and wildlife before either reaches the tipping point. The Federal investment leverages significant additional funding from private, State, and local sources.

U.S. GEOLOGICAL SURVEY, ASIAN CARP RESEARCH AND CONTROL

Asian carp pose a serious and potentially devastating threat to the long-term health of the Great Lakes. Asian carp have been steadily migrating north along the Mississippi River and could reach the Great Lakes through a system of canals that artificially connect the Mississippi River and Great Lakes basins. Experts warn invasive carp could devastate the \$7 billion commercial and recreational fishery in the Great Lakes. The League supports the U.S. Geological Survey (USGS) request for a \$2 million increase to combat Asian carp in the Great Lakes and an additional \$1 million to address the threat in the Upper Mississippi River region. In the Upper Mississippi region, the research would focus on improving methods to detect Asian carp populations at low levels and identifying habitats most vulnerable to colonization. In the Great Lakes, research would be directed toward developing methods for oral delivery of fish toxicants, identifying and developing chemical attractants to aid in targeted removal of carp, and testing seismic technology as a means of restricting the passage of carp through locks and other navigation infrastructure.

The League believes one of the most effective ways to safeguard the Great Lakes from aquatic invasive species is to restore the natural hydrologic separation between the Great Lakes and Mississippi River basins. In the meantime, we support this request, which represents a prudent near-term investment in invasive carp control.

U.S. GEOLOGICAL SURVEY/ENVIRONMENTAL PROTECTION AGENCY, HYDRAULIC FRACTURING RESEARCH AND ANALYSIS

The League supports requests by the USGS and EPA for funding to continue and augment research concerning the potential effects of high-volume hydraulic fracturing on water and air quality, surface and groundwater resources, habitat, and fish and wildlife. The League supports responsible development of domestic energy resources, including natural gas, as well as greater emphasis on renewable sources and energy efficiency in order to improve energy independence and security. At the same time, the accelerated use of hydraulic fracturing in the Marcellus region, in particular, continues to outpace our knowledge about potential negative impacts on a wide range of natural resources.

The proposed budget would augment research across a range of issues. For example, the USGS requests approximately \$18.6 million for fracturing-related research. With this funding, USGS would prioritize research on water quality and supply, air quality, characterizing gas resources and the related geologic formations, movement of methane gas during the drilling process, and the impacts of fracturing on landscapes, habitat, and other natural resources. EPA is requesting funding to support an ongoing EPA study assessing the impacts of hydraulic fracturing on water resources and other applied research in cooperation with USGS and the Department of Energy.

ENVIRONMENTAL PROTECTION AGENCY, GREAT LAKES RESTORATION INITIATIVE

The League supports providing \$300 million as requested for the Great Lakes Restoration Initiative. The Great Lakes provide drinking water to 35 million people and support jobs and recreational opportunities for millions more. However, the health of the Great Lakes is seriously threatened by untreated sewage, toxic pollution, invasive species, and habitat loss. The eight States that border the Lakes and many nongovernmental organizations have invested significant resources to safeguard these national treasures. Sustained Federal investment at a significant level is also needed or the problems will only get worse and cost even more to fix.

Cleaning up the Great Lakes will provide many benefits, including economic development in the region. According to the Brookings Institution, Great Lakes restoration efforts produce \$2 in economic return for every \$1 invested. Restoration projects create jobs for engineers, landscape architects, and construction workers and improve water quality, support outdoor recreation, and reestablish healthy fish and wildlife habitat. These results lay the foundation for long-term prosperity in the region.

ENVIRONMENTAL PROTECTION AGENCY, NON-POINT SOURCE MANAGEMENT PROGRAM  
(CLEAN WATER ACT SECTION 319)

The League is concerned that Congress and EPA have reduced funding for section 319, the Non-point Source Management Program. These reductions are counter-productive as EPA and many States report that non-point source pollution is the leading cause of water quality problems, including harmful effects on drinking water supplies, recreation, fisheries and wildlife. Based on the pressing nature of the problem, it makes sense to invest resources that help States and local governments more aggressively tackle non-point source pollution. The League urges the subcommittee to provide at least the amount requested by EPA for section 319.

ENVIRONMENTAL PROTECTION AGENCY, CHESAPEAKE BAY PROGRAM

The League supports the request for approximately \$72.9 million in fiscal year 2014 for the Chesapeake Bay Program. The Chesapeake Bay is the largest estuary in the United States and one of the largest in the world. More than 16 million people live within the Bay watershed. The Bay is a critical economic, environmental, and recreational resource for these residents and the Nation as a whole. However, the productivity and health of this nationally significant resource remain seriously impaired by nutrient pollution from multiple sources throughout the watershed.

The EPA and States have launched a significant and rigorous effort to cut pollution and improve water quality. Few would argue that implementing the total maximum daily load (TMDL) will not be challenging or not require significant investment to reduce point and non-point source pollution. However, EPA is requesting additional funds, in part, to support States, local governments, and other partners as they begin implementing the TMDL. The League believes it is essential to provide technical and financial assistance to achieve results on-the-ground and lay the foundation for sustained pollution reductions over the long term.

The Izaak Walton League appreciates the opportunity to testify about these important issues.

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PREPARED STATEMENT OF SOUTHERN ILLINOIS UNIVERSITY—CARBONDALE

As a fisheries scientist and long-time collaborator with the U.S. Fish and Wildlife Service (USFWS), I am writing to express my concern regarding the proposed \$400,000/3 FTE reduction in support for the USFWS Aquatic Animal Drug Approval Partnership (AADAP) program as described in the fiscal year 2014 President's budget. Given the importance of this program and its deliverables to the fisheries and aquaculture disciplines—particularly to the mission of the USFWS itself and researchers like myself—I strongly encourage you to reconsider the ramifications of this reduction, and fully support the AADAP program with \$1,790,000 in base funding and current FTEs. This figure represents the amount previously dedicated to the drug approval process by the Department of the Interior (2010 funding levels adjusted to fiscal year 2014 dollars). Without this level of support, these unduplicated and essential activities cannot be completed, and fisheries researchers, including myself and my USFWS colleagues, will be unable to effectively do our part to conserve America's fisheries and aquatic resources.

Fisheries professionals use a suite of drugs to accomplish fisheries management objectives and deliver public and tribal trust responsibilities. Field biologists need to use sedatives to protect themselves and the fish they handle when collecting population assessment data and completing fisheries management objectives. Hatchery biologists need therapeutic drugs to combat disease outbreaks, spawning aids to encourage fish to reproduce in captivity, and marking agents to allow hatchery fish to be differentiated from wild fish after stocking. Fish drugs are largely innocuous chemicals such as hydrogen peroxide, but it is illegal to use such products unless they have passed the rigorous Food and Drug Administration (FDA) animal drug approval process. The AADAP program is the only program in the United States fully dedicated to fish drug approval research and ensuring critically needed drugs are available to fisheries professionals. USFWS leadership in this area is critical because the Service itself is a major end-user of aquatic animal drugs, the need for safe and effective drugs is nationwide, and without public sector assistance economic incentives are insufficient to encourage drug sponsors to pursue aquatic animal drug approvals in the United States.

Recognizing difficult budgetary decisions must be made, I contend that the proposed cuts to the AADAP program offer only modest savings and would eliminate vital elements of a program that serves the USFWS, its partners, and fisheries and aquatic resources in essential and unduplicated ways. Without access to safe and

effective drugs, it is unclear to me how fisheries professionals, especially USFWS staff, will be able to fulfill their mandates (e.g., rearing and stocking fish, collecting field data) without misusing the few approved drugs currently available (e.g., overusing an existing antibiotic because no other alternatives exist, risking the development of antibiotic-resistant bacteria) or resorting to the use of unapproved products (e.g., using innocuous but currently unapproved products, risking significant legal liability and FDA action). The proposed cuts would effectively terminate the AADAP research program, and with it, the drug approval process in the United States.

I encourage you to fully support the AADAP program at a funding level of \$1,790,000 and ensure the current and future needs of fisheries and fisheries professionals continue to be met. Thank you for your consideration of my position on this issue.

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PREPARED STATEMENT OF THE JAMESTOWN S'KLALLAM TRIBE

On behalf of the Jamestown S'Klallam Tribe, we are pleased to submit this written testimony on our funding priorities and requests for the fiscal year 2014 Bureau of Indian Affairs (BIA) and Indian Health Service (IHS) budgets. We urge Congress to work together to achieve a balanced approach to the deficit reduction that includes the raising of new revenue sources and that doesn't rely solely on cuts to discretionary spending.

The Federal approach to deficit reduction has been significantly unbalanced with nondefense Federal programs shouldering the fiscal burden of these budget cuts. Discretionary programs have already experienced \$1.5 trillion in spending cuts as a result of reductions in the fiscal year 2011 continuing resolution, the Budget Control Act and the American Taxpayer Relief Act. Tribes are funded out of the non-defense discretionary budget and have experienced significant hardship with the imposed budget reductions for Tribal programs. Additional budgetary restrictions would devastate our Tribal economies impacting not only our Tribal citizens but also the surrounding non-Native communities whom we employ and provide with much needed services, such as, public safety, education, health and dental care.

TRIBAL SPECIFIC APPROPRIATION PRIORITIES

Restore and increase Housing Improvement Program (HIP) funding.

LOCAL/REGIONAL REQUESTS AND RECOMMENDATIONS

The Jamestown S'Klallam Tribe is a direct beneficiary of the collective Tribal efforts and continues to support the requests and recommendations of the Affiliated Tribes of Northwest Indians, Northwest Portland Area Indian Health Board, and the Northwest Indian Fisheries Commission.

NATIONAL REQUESTS AND RECOMMENDATIONS

BIA requests:

- Hold Indian Country programs harmless (deficit reductions/sequestration);
- Fully fund contract support costs \$242 million for the BIA;
- Economic Development/Indian Loan Guarantee Program \$15 million; and
- Increase funding for tribal priority allocations.

IHS requests:

- Fully fund contract support costs \$617 million for the IHS;
- Fully fund the implementation of ACA inclusive of the IHClA; and
- Increase funding for Contract Health Service \$171.1 million.

HOLD INDIAN COUNTRY PROGRAMS HARMLESS (DEFICIT REDUCTIONS/SEQUESTRATION)

Decades of unfulfilled Federal obligations has devastated Tribal communities who continue to face persistent shortfalls and overwhelming unmet needs. The additional reductions under sequestration will devastate our communities and severely inhibit our ability to provide essential Governmental services to our Tribal citizens. In addition, the budgetary reductions will stifle our economic growth and our ability to promote and achieve Tribal self-sufficiency. Until Tribes attain exclusive taxing jurisdiction within their Tribal lands, Federal support remains critical to ensure the delivery of essential Governmental services to our Tribal citizens. The Federal trust obligation must be honored and vital programs and services for Tribes must be sustained in any deal enacted to reduce the national deficit.

## BUREAU OF INDIAN AFFAIRS

Since 2004, the BIA has received the smallest percentage increase in funding compared to the other agencies within the Department of the Interior. Tribal programs make up a minuscule portion of the overall Federal budget. For example, the Bureau of Indian Affairs accounts for a mere 0.07 percent of Federal spending. During the last two budget cycles, the trend of favoring other Interior agencies over the Bureau of Indian Affairs has continued. In addition to receiving the least amount of incremental funding increases, the Bureau has absorbed the greatest funding reductions compared to the other agencies within Interior.

Congressional support of our proposed funding initiatives will promote efficiency and accountability, strengthen reservation and surrounding local economies, and affirm Tribal sovereignty and Self-Governance. We have long appreciated this subcommittee's support of our funding requests and are pleased to submit the following recommendations and requests:

*Fully Fund Contract Support Costs (CSC) \$242 Million for the Bureau of Indian Affairs and \$617 million for the Indian Health Service*

The U.S. Supreme Court recently affirmed that Tribes carrying out Federal programs under the Indian Self Determination and Education Assistance Act (ISDEAA) are entitled to full payment of their contract support costs. Tribes are entitled to be paid what the statute and contract promised and to be treated on an equal basis with every other Federal contractor. Despite the Supreme Court decision, the Bureau of Indian Affairs and Indian Health Service have refused to negotiate in good faith with the Tribes to reach a final resolution of this issue which has been ongoing for the past 20 years. To further exacerbate the situation, the President's fiscal year 2014 budget request will fundamentally alter the nature of Tribal Self-Governance by imposing individual statutory caps on the payment of Tribal contract support costs. The Jamestown S'Klallam Tribe opposes the administration's unilateral proposal, in its fiscal year 2014 budget request.

Contract support cost funding is essential to the operation of contracted Federal programs administered under federally issued indirect cost rate agreements. No change of such a fundamental character should be implemented until there has been a thorough consultation and study process jointly undertaken by the Indian Health Service (IHS), the Bureau of Indian Affairs (BIA), and tribal leaders, informed by a joint technical working group and coordinated through NCAI. Such a consultation process must be scheduled to permit opportunity for full tribal participation. While we firmly believe that overall statutory caps on contract support costs should be eliminated, at the very least Congress should maintain in fiscal year 2014 and fiscal year 2015 the status quo statutory language enacted in fiscal year 2013 so that tribally developed changes in contract support cost funding mechanisms, if any, can be included in the fiscal year 2016 budget.

*Economic Development / Indian Loan Guarantee Program \$15 Million*

Economic Development in Indian Country trails significantly behind the rest of the Nation and the acute economic conditions experienced by our Tribal citizens are even more pronounced than those of the current economic crisis. Tribal citizens are more vulnerable to the impacts of the current economic conditions because Tribal governmental revenues depend entirely on effective economic development to support nearly every aspect of reservation life and Tribal governance. However, chronic underfunding by the U.S. Government and the severe lack of private investment has left the economic potential of Indian Country unrealized. Tribes are forced to rely on our own economic ventures to generate revenue to support citizen programs and maintain Government services for our people. Yet, Tribes are expected to meet these economic challenges with fewer resources and greater restrictions placed on vital economic financing tools and incentives. It stands to reason that Tribes should be given all of the tools and incentives available to other governments to raise and attract capital. When given the right tools to exercise our inherent right of self-government, Tribes can effectively lift our communities out of poverty and fully participate in the American economy. It is not just our Tribal citizens who benefit from Federal investment in our communities, surrounding communities, and at times, entire regions, are also beneficiaries of Tribal success.

Guaranteed Financing is needed for Tribal economic development projects. The Bureau of Indian Affairs (BIA) loan guarantee program is vital to Tribes because it creates jobs, provides new sources of revenue to Tribal communities, and critical support in advancing economic development in Indian Country. This program provides attractive incentives and assurances for banks to expand and underwrite loans in Indian Country, assisting Tribes in accessing capital and encouraging lending to Indian-owned businesses. Loan guarantees are also an attractive financial measure

because they result in the leveraging of Federal dollars. Federal program funding and guarantees are critically important to Tribes seeking to develop a strong economic foundation. If not for the BIA Loan Guarantee Program, many Tribes would not, in most cases, be able to secure loans from the standard sources available to other entities and businesses. We urge you to restore and increase funding for this program, a very important tool for raising the level of Tribal self-sufficiency.

*Tribal Priority Allocations Increase Funding*

Tribal priority allocations fund essential core governmental services. We use these dollars to provide the most basic needs for our Tribal citizens: food, clothing and shelter and to provide critical services, including, law enforcement, education, transportation, natural resources and economic development. Since 1996, Tribal government core services are operating with over a 30 percent reduction in base funds. We urge you to adequately fund TPA to enhance the health and well-being of our communities.

*Restore Housing Improvement Program (HIP) Funding.*—This program serves the neediest population, or, those at 125 percent of the Federal income poverty guideline. The President's fiscal year 2014 budget request zeroed out this program based on the false presumption that it is duplicative of existing HUD programs. This assumption is wrong and we urge you to restore funding for this program that provides an essential service, safe and sanitary housing, to our Tribal citizens.

INDIAN HEALTH SERVICE

Given the unique mission of the IHS as a direct healthcare provider fulfilling a Federal trust responsibility, fully funding and implementing the ACA and IHCA will elevate the health status and decrease the health disparities experienced by American Indians and Alaska Natives. Federal spending for the Indian Health Service amounts to 0.12 percent, a very small percentage of the Federal budget.

*Contract Health Service.*—Provide a \$171.7 million increase for CHS. Most IHS and Tribal operated direct care facilities do not provide the required emergency and specialty care services so Tribes are forced to turn to the private sector to fulfill this need. CHS funds are used to purchase essential healthcare services, including inpatient and outpatient care, routine emergency ambulatory care, transportation and medical support services, such as diagnostic imaging, physical therapy, laboratory, nutrition and pharmacy services.

FULLY FUND THE IMPLEMENTATION OF ACA INCLUSIVE OF THE IHCA

The permanent reauthorization of the Indian Health Care Improvement Act (IHCA) within the ACA is the most significant advancement in Federal health policy for Tribes in decades. The purpose of the IHCA is to promote healthcare parity for Indian Tribes by addressing deficiencies in health status and resources within the Indian health system. Funding for the IHCA is a top budget priority. Although the IHCA provides the authority and, with it, the opportunity to provide essential healthcare to Tribal citizens, it did not provide the necessary funds to the IHS to carry out these new statutory obligations.

There are 23 unfunded provisions in the Indian Health Care Improvement Act (IHCA). Many of the provisions that remain unfunded would strengthen the Tribal healthcare workforce, provide greater access to behavioral health and support innovative initiatives for healthcare delivery to Tribal citizens. Funding these provisions is a necessary precursor to increase Tribal capacity, infrastructure and most importantly access to healthcare services.

Significant Federal investment is needed to achieve a fully funded Indian Health Service and now is the time to act on opportunities made possible in the newly expanded authorities granted under the Indian Health Care Improvement Act.

On behalf of the Jamestown S'Klallam Tribe, I respectfully request that these recommendations be included in the fiscal year 2014 Federal budget in order to honor the trust responsibility and support tribal economic security and prosperity.

PREPARED STATEMENT OF THE LEAGUE OF AMERICAN ORCHESTRAS

The League of American Orchestras urges the Senate Interior, Environment, and Related Agencies Appropriations Subcommittee to approve fiscal year 2014 funding for the National Endowment for the Arts (NEA) at a level of \$155 million. We ask Congress to continue supporting the important work of this agency, which increases public access to the arts, nurtures cultural diversity, promotes the creation of new artistic works, and cultivates a sense of cultural and historic pride, all while supporting millions of jobs in communities nationwide.

The League of American Orchestras leads, supports, and champions America's orchestras and the vitality of the music they perform. Its diverse membership of more than 800 orchestras runs the gamut from world-renowned symphonies to community groups, from summer festivals to student and youth ensembles. Orchestras unite people through creativity and artistry, fuel local economies and civic vitality, and educate young people and adults.

Throughout the Nation, persistent economic challenges beset nonprofit arts organizations; therefore, the award of a notably competitive NEA grant continues to be a compelling boost to an orchestra's pursuit of funding from other sources. Indeed, a grant from the NEA has long been recognized as a mark of public value and national artistic significance, and the distinction of presenting these nationally recognized programs is enjoyed by communities large and small. In fiscal year 2013, the NEA's Grants to Organizations included 100 direct grants to orchestras, and continued funding for the agency will support orchestras' ability to serve the public. The NEA promotes creation, engagement, livability, and learning in the arts through Art Works—the major support category for organizations—and the Challenge America: Reaching Every Community grant program, as well as through vital Federal/State partnerships.

In addition to educating and engaging people of all ages, fueling local economies, and attracting new business development, orchestras connect people and cultures in a uniquely powerful way. The League is committed to helping our members engage with their communities, and the NEA plays an invaluable leadership role through its direct grants, strategic initiatives, and research on trends in public participation and workforce development.

#### NEA FUNDING INCREASES PUBLIC ACCESS TO LIVE CULTURAL EXPERIENCES

The NEA, together with the organizations it helps support, is dedicated to improving public access to the arts. For example, the Portland Symphony Orchestra (PSO), which employs 10 full-time and 5 part-time staff, along with 86 musicians, received an NEA grant in fiscal year 2009 that supported a program featuring the performance of "Sabar: Concerto for Senegalese Drummers and Orchestra" by James DeMars. This grant allowed the PSO to offer a lecture at the Museum of African Culture in Portland with Music Director Robert Moody, guest Senegalese drummer Mark Sunkett, and Museum Director Oscar Mokeme, as well as an in-school performance and presentation at King Middle School, which serves the most racially, ethnically, and economically diverse neighborhoods in Maine. Twenty-six percent of the school's nearly 500 students speak a primary language that is not English. The centerpiece performance attracted the second highest attendance for a PSO Classical Concert during the 2008–09 season, and the concert allowed the PSO to serve the people of Southern Maine by increasing their knowledge of, appreciation for, and understanding of West African music and culture by presenting it in the context of similar dance and cultural influences in the music of Bartok.

The rural isolation of the Walla Walla, Washington region poses challenges to its local cultural arts organizations, but the Walla Walla Symphony, with just two full-time and five part-time staff, roughly 60 musicians, and more than 35 volunteers nonetheless finds a way to offer a year-round, intensive complement of musical and educational experiences—often free or at low cost. The region's population has a low median income, with more than half of area youth qualifying for the Federal Free/Reduced Lunch program, and every school in the district failed to meet No Child Left Behind progress requirements in 2011. A lack of resources in the schools has made it all the more important for area arts organizations to serve as partners to the schools. With an fiscal year 2013 Challenge America grant from the NEA, the Walla Walla Symphony will bring guest artists PROJECT Trio to a community that has expressed an ongoing interest in compelling guest artist performances, high-quality symphonic music, and music education resources and opportunities for its children. During its 4-day residency, PROJECT Trio will collaborate with symphony musicians to offer four musical events to the public: they will appear in an Educational Family Concert, offer a solo Trio performance, appear in a full symphonic concert, and provide educational programs at local schools.

Another recipient of Challenge America support, the Tulsa Symphony Orchestra, a musician-led orchestra with five full-time and seven part-time staff and a musician pool of 140, organized 2 days of string workshops and clinic sessions for area students, teachers, and musicians with visiting guest violin and teaching artists Mark O'Connor and Kelly Hall-Tompkins. The sessions preceded a concert and were hosted by Will Rogers High School and the University of Tulsa. More than 95 percent of the students participating were from underserved title I schools and the NEA grant provided much-needed transportation to the workshop sites. This compo-

ment of support is often overlooked and yet it meets a specific, acute need that would otherwise have prevented Will Rogers students from being able to learn from these artists. In addition to making the workshops possible, the NEA grant also allowed the Tulsa Symphony to provide tickets to 400 economically disadvantaged students to attend an evening concert featuring these same guest artists at the Tulsa Performing Arts Center.

#### NEA GRANTS HELP ORCHESTRAS EDUCATE AND ENGAGE AMERICA'S YOUTH

NEA support helps bring disparate communities together through the experience of live music, and it also provides a creative means to focus on educating and encouraging young people in their musical and academic endeavors. In June 2012, the Alexandria Symphony Orchestra's (ASO) "Music Makes a Difference" program engaged more than 3,600 students in a hands-on arts education program. The orchestra partnered with three Alexandria City Public Schools (ACPS) to create and deliver an integrated music, art, and astronomy unit based on Virginia Standards of Learning for elementary school students. The unit culminated in three side-by-side performances of Gustav Holst's "The Planets," performed by both ASO professional musicians and ACPS middle school students. During the concerts, elementary students' artwork based on their astronomy lessons was projected on stage to further reinforce science concepts. ASO was able to offer this kind of innovative program thanks to NEA support and its dedicated four full-time and two part-time staff members, 250 part-time musicians, and 40 volunteers.

The El Paso Symphony Youth Orchestras (EPSYOs) similarly utilized NEA funding to foster the musical and academic achievement of more than 270 students from throughout the region through four distinct ensembles based on age and skill levels. These ensembles include the El Paso Youth Orchestra, the El Paso Symphony Youth String Ensembles, the El Paso Youth Symphonic, and the El Paso Youth String Philharmonic. In addition to the musical instruction these students receive, such as weekly rehearsals, master classes, clinics, and performances, they also develop study skills, self-esteem, confidence, and determination that crosses over into their academic work as well. In fact, 100 percent of all high school seniors participating in the EPSYO program since its inception 6 years ago have gone on to seek a higher education at universities and colleges throughout the United States. Although most of these youth orchestra alumni are not pursuing a music degree, almost all of them credit their involvement with the EPSYOs for their desire and ability to apply to these programs. Furthermore, many of these students are low-income and in addition to receiving financial aid for EPSYOs tuition during their involvement, many of them also received higher education scholarships due to their involvement with the EPSYOs program and its clinicians and master class presenters.

Like El Paso, the Heart of Los Angeles affords valuable opportunities to economically disadvantaged children. A fiscal year 2013 NEA Arts Works grant supports the Youth Orchestra Los Angeles at Heart of Los Angeles (YOLA at HOLA) program. Implemented in partnership with the Los Angeles Philharmonic, which employs 107 full-time musicians, 133 full-time administrative staff members and 1,814 part-time and seasonal workers, YOLA at HOLA provides 240 children in the underserved Rampart District with free afterschool instrumental instruction, ensemble performance opportunities and academic support 15–17 hours per week for 48 weeks out of the year. YOLA at HOLA students have the opportunity to participate in both large orchestral and small group ensembles, service learning projects, and student leadership committees. The program's young musicians have participated in public performances in community venues throughout Los Angeles, including the nationally renowned Hollywood Bowl and Walt Disney Concert Hall, reaching more than 20,000 listeners. A music learning program with an emphasis on community-building, YOLA at HOLA also provides families with access to social service support, adult music learning opportunities and parenting workshops.

#### NEA FUNDING ENCOURAGES NEW WORKS AND LOCAL ARTISTRY

NEA grants to orchestras help support the creative initiatives of American composers and musicians, many of whom share the agency's dedication to developing young audiences. The Cleveland Orchestra and its 236 full-time staff members will use its fiscal year 2013 Art Works grant to host a week-long residency at Severance Hall featuring a newly commissioned orchestral work by young American composer Sean Shepherd. From April 16 through April 21, The Cleveland Orchestra is premiering Sean Shepherd's commissioned work, and Mr. Shepherd is participating in numerous educational activities that will inspire students of all ages in northeast Ohio. His residency encompasses master classes, in-school visits, lectures, chamber concerts, concert previews, and rehearsals throughout the community. Students



from four local high schools and universities will be given the opportunity to discuss the composition process and ways to bring creative musical ideas to life, and students will also receive feedback from Mr. Shepherd on their own compositions. The Cleveland Orchestra and conductor Franz Welser-Möst will premiere Sean Shepherd's work in concerts at Severance Hall in Cleveland's University Circle district on April 18, 20, and 21. Thanks to the NEA's support, approximately 7,000 students and adult community members in northeast Ohio will interact with this art and the variety of related educational programming. Mr. Shepherd's residency exemplifies the orchestra's commitment to providing opportunities for the next generation of composers to create new work while mentoring and developing wide-ranging, multi-faceted relationships with young composers, as well as engaging audiences of all ages in the classical music art form.

Thank you for this opportunity to convey the tremendous value of NEA support for orchestras and communities across the Nation. These are but a sampling of the innovative compositions, thoughtful programming for underserved regions and populations, and lifelong learning opportunities orchestras provide in service to adults and children from all walks of life. The Endowment's unique ability to provide a national forum to promote excellence and engagement through high standards for artistic products and the highest expectation of accessibility remains one of the strongest arguments for a Federal role in support of the arts. We urge you to support creativity and access to the arts by approving \$155 million in funding for the National Endowment for the Arts.

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PREPARED STATEMENT OF THE LAC DU FLAMBEAU BAND OF LAKE SUPERIOR  
CHIPPEWA INDIANS

My name is Tom Maulson, I am president of the Lac du Flambeau Band of Lake Superior Chippewa Indians, located in Wisconsin. I am pleased to submit this testimony, which reflects the needs of our Tribal members for fiscal year 2014. I would like to thank the subcommittee for its leadership and commitment to Tribes and the programs that are critical to us.

*Sequestration.*—We would first like to express our strong objection to sequestration of discretionary programs. An across the board sequester was proposed not as a sensible policy, but because it was so universally viewed as unreasonable that it was expected to spur Congress and the President to get together on the budget to make sure it never took place. Yet here we are, with a sequester in place for fiscal year 2013—and likely to continue unless Congress and the President can agree otherwise for fiscal year 2014.

The sequester is terrible policy for the country overall, but it has a special impact on tribes. The United States has both Treaty obligations and a trust responsibility to Indian tribes. The tribes gave up the lands on which this country was built, in return for the solemn promises of the United States to protect tribal treaty rights, lands and resources and to provide various services to tribal members. The United States' promises to the tribes should be kept—and not reduced by sequestration. The indiscriminate cuts from sequestration harm tribes, as we continue our ongoing effects to promote economic growth and build a better future for our children. Tribal programs should not be subject to sequestration.

*Changes Proposed Regarding Contract Support Costs—For BIA and IHS.*—The Lac du Flambeau Band opposes the administration's proposal for fiscal year 2014 regarding payment of contract support costs. Here again, this is a matter of the United States keeping its promises. When a tribe enters a contract with the United States under the Self-Determination Act, the United States promises to pay full contract support costs—various costs necessary for the tribe to successfully run the program. The courts have held that if the United States does not fulfill its promise regarding payment of contract support costs, the tribe can file a claim and recover the shortfall. But now, the administration is proposing a new system—which would impose for the first time caps for each tribe regarding contract support costs. The whole purpose of these new tribal-specific caps is to protect the United States from having to pay full contract support costs. The effect of this provision would be to make it more difficult for tribes that enter contracts or compacts under the Self-Determination Act to succeed, and to penalize tribes that wish to enter new contracts or compacts. The administration's proposal should be rejected. Congress should fully fund all contract support costs and resolve all prior year contract support cost claims.

## INDIAN HEALTH SERVICE

*Purchased/Referred Care.*—We want to call particular attention to the need for purchased/referred care (which was previously called contract healthcare) funding, which is a need that we have expressed to Congress for several years. This category of health care funding is so important to the basic health and well-being of our communities, where a very significant portion of our healthcare must be referred out. Despite its importance, historically this category has been tragically underfunded—with funds running out before the year ends. We would like to express our appreciation to the subcommittee for providing increases to contract healthcare funding over the past couple of years, and we strongly support the \$35 million increase for purchased/referred care services proposed for the fiscal year 2014 budget.

*Mental Health.*—At Lac du Flambeau there is a rapidly expanding need for resources to address a range of mental health problems. Funding has simply failed to keep pace with our needs—as our mental health funding remains a very small portion of our annual healthcare funding. We strongly support the administration's proposal to add \$4.2 million for Mental Health.

## BUREAU OF INDIAN AFFAIRS

The Tribe is disappointed that the BIA's proposed budget for fiscal year 2014 is essentially level funding for most programs. The Tribe recognizes the difficult fiscal times the Nation is in and thus, is pleased that the BIA did not propose decreases to many BIA programs. The 2014 budget does include an initiative called "horizontal consolidation"—a \$33.5 million cut that would be imposed by reducing BIA personnel at the Headquarters, Regional and Agency offices through attrition, buyouts and other means. We are concerned that will leave the BIA inadequately staffed to meet its trust obligations of the tribes. We are seeing this with respect to BIA Natural Resource personnel—as key people leave and are not replaced, the level of services to the tribes may decline and key tasks may be delayed or omitted entirely. It is vital that BIA personnel reductions be undertaken with full tribal consultation and sensitivity to the needs of tribes and the BIA's ongoing obligations. We urge the subcommittee to monitor these changes carefully.

Today we want to focus on the funding needs for the BIA Education, Public Safety and Natural Resource Programs.

*Tribal Education Programs.*—Education is a top priority for the Tribe. We believe that it is through investment in education that we will be able to restore stability to our Nation's economy. To continue the progress Indian Country has made in participation and control of education programs and schools, it is imperative that funding for tribal higher education programs be increased. We support the administration's proposed small increase for the BIA scholarship and adult education program, as well as the newly proposed \$3 million for postgraduate study in science fields. This funding supports Indian students working for higher education and advanced degrees. Tribal communities have made great strides in educating their youth. Those strides are evident in the fact that more Indian students are attending and graduating from colleges and other post-secondary institutions. However, tribal communities must continue to evolve with other communities. The national and global economy has changed—students must earn college and graduate degrees to remain competitive.

*Public Safety.*—The Tribe supports the administration's proposal to increase funding for BIA Public Safety and Justice Programs. Among the many challenges facing law enforcement at Lac du Flambeau is an increasing threat from a range of illegal drugs—including synthetic cannabinoids and others. The rapid growth in the use of these illegal drugs has led our Tribal government recently to declare a state of emergency. We are taking broad steps to address the problem in a multi-dimensional way—including education, prevention and rehabilitation. A key component of this effort is to prosecute those who sell these illegal drugs that are so significantly harming our young people and our communities. This is just one example of the need for an effective law enforcement presence at Lac du Flambeau.

*Tribal Natural Resource Management and Development.*—Tribes are leaders in natural resource protection and BIA natural resource funding is essential to maintain our programs. Lac du Flambeau has a comprehensive Natural Resources Department and dedicated staff with considerable expertise in natural resource and land management. Our activities include raising fish for stocking, conservation law enforcement, collecting data on water and air quality, developing well head protection plans, wildlife habitat protection and enhancement, conducting wildlife surveys and administering timber stand improvement projects on our 86,000-acre Reservation. In addition to being important cultural and environmental resources for current and future generations, natural resources provide many Tribes and sur-

rounding communities with commercial and economic opportunities. It is with this understanding of the importance of our natural resources, that the Tribe strongly supports the administration's proposed increase of \$2 million for the Tribal Natural Resource Management and Development. Specific proposed increases in Fishing, Wildlife and Parks, Endangered Species, Rights Protection and Cooperative Landscape Conservation are all very important to us. We also support the administration's initiative to engage Indian youth in the natural sciences.

*Conservation Law Enforcement Officers.*—One of the critical elements of our Natural Resource program is our Conservation Law Enforcement Officers. These officers are primarily responsible for enforcing hunting and fishing regulations related to the exercise of treaty rights, but they also have a much larger role in law enforcement. They are often the first to respond to emergency situations. These officers play an integral part in protecting our cultural and economic resources, as well as assisting with the most important role of protecting public safety. We urge the subcommittee to support increased funding for Conservation Law Enforcement for fiscal year 2014, as an acknowledgement of the importance of Tribal conservation law enforcement officers to the Federal law enforcement family.

*Circle of Flight: Wetlands Waterfowl Program.*—We urge the subcommittee to continue to provide support for the BIA Circle of Flight Program, by providing at least the \$800,000 funding level proposed by the administration. This program supports Tribal efforts throughout the Great Lakes Region to restore and preserve wetlands and waterfowl habitat within Tribal territories. This program also gives the Great Lakes Region Tribes, States, USFWS, USDA, Ducks Unlimited and other private sector groups an opportunity to work cooperatively in projects that provide wetland protection, flood control, clean water and recreation in the Great Lakes Region. The subcommittee's strong support of this program over two decades has resulted in tremendous successes in restoring wetlands and waterfowl habitat throughout the Mississippi Flyway.

*Great Lakes Indian Fish and Wildlife Commission.*—Related to the Tribe's natural resource needs, we would like to voice our continuing support for the Great Lakes Indian Fish and Wildlife Commission (GLIFWC). The Tribe is a member of the Commission, which assists the Tribe in protecting and implementing its treaty-guaranteed hunting, fishing and gathering rights. We urge the subcommittee to fully support the programmatic funding for GLIFWC in the amount of \$6.367 million from BIA, plus \$1.2 million from EPA to continue its vital treaty-rights protection/implementation programs. GLIFWC has played an invaluable role in providing science and sound management practices for our off-reservation resources. This role could not be filled by any other agency.

#### ENVIRONMENTAL PROTECTION AGENCY

*Tribal General Assistance Program.*—The Tribe strongly supports the proposed \$5 million increase for the Tribal General Assistance Program (Tribal GAP). This program provides base environmental funding to assist Tribes in the building of their environmental capacity to assess environmental conditions, utilize available data and build their environmental programs to meet their needs. This funding is critical for Tribes in the Great Lakes as our region begins to examine resource extraction issues, in particular mining. While we understand the need for job creation, we believe any action must be done in a way that does not destroy our natural resources, which are the basic foundation of our way of life and economies today.

*Great Lakes National Program Office.*—We continue to support the Great Lakes Restoration Initiative (GLRI) and in particular, the funding set-aside for tribes. The Great Lakes represent three-quarters of the world's supply of fresh water. But for us, the indigenous people of Wisconsin, the Great Lakes represent the life blood of our economies and our culture. The protection and preservation of the Great Lakes are necessary to the protection and preservation of the tribal communities that have made the Great Lakes their home since time immemorial.

*Clean Water Program.*—The Clean Water Program provides grants to tribes under section 106 of the Clean Water Act to protect water quality and aquatic ecosystems, and the Tribe supports the proposed \$20.3 million increase in section 106 grants. The Lac du Flambeau Clean Water program monitors, maintains and improves water quality for the tremendous amount of surface and ground water within the exterior boundaries of our Reservation. There are 260 lakes covering 17,897 acres, 71 miles of streams, and 24,000 acres of wetlands within the Reservation. Surface waters cover nearly one-half of the Lac du Flambeau Reservation. Funding to maintain clean waters on our Reservation has already decreased below the minimum required to maintain our program. We ask the subcommittee to protect funding for this program.

*Air Quality.*—In Wisconsin, a major recent change in State law creates the likelihood of a new, large-scale iron-mining, which would have extensive environmental impacts on both the Reservation and the Tribe's ceded territory, where we have Treaty-protected hunting, fishing and gathering rights. To protect our lands and Treaty rights from pollution associated with new iron mining, we will need baseline air quality data which demonstrates the conditions we are seeking to protect. We urge the subcommittee to support increased funding for Tribal air quality monitoring activities and associated staffing.

*Brownfields.*—The 2002 Brownfield bill authorizes \$50 million for State and Tribal Response Programs. Appropriations have been slightly less than the authorized \$50 million. The 2002 authorization expired in 2006. Like many programs, expired authorizations have continued to be allocated. Both States and Tribes are competing for the same pool of money. Every year more tribes apply for funding. There is a critical base needed just to operate a program. Both the needs of a State cleanup program and the needs of new tribal cleanup programs cannot be met by the authorized \$50 million or the allocated amounts.

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#### PREPARED STATEMENT OF THE LUMMI INDIAN BUSINESS COUNCIL

Mr. Chairman and distinguished members of the subcommittee, thank you for the opportunity to provide written testimony on the fiscal year 2014 budget priorities for the Bureau of Indian Affairs (BIA) and the Indian Health Service (IHS).

#### BACKGROUND INFORMATION

We are the Lhaq'temish, "The Lummi People." We are the original inhabitants of Washington's northernmost coast and southern British Columbia and are the third largest Tribe in Washington State serving a population of more than 5,200. The Lummi Nation is one of the signatories to the Point Elliot Treaty of 1855. The Lummi Nation is a fishing Nation and for thousands of years we have worked, flourished and celebrated life on the shores and waters of the Salish Sea which is referred to as Puget Sound. We have drawn our physical and spiritual sustenance from the marine tidelands and waters of the Salish Sea since time immemorial, and we understand the challenge of respecting our traditions while making progress in a modern world—to listen to the wisdom of our ancestors, to care for our lands and waterways, to educate our children, to provide family services and to strengthen our appropriate ties with neighboring communities and jurisdictions.

#### LUMMI SPECIFIC REQUESTS—BIA AND BUREAU OF INDIAN EDUCATION (BIE)

- + \$13 million over 10 years on fish hatcheries:
  - \$2 million for Phase 1—Fish Hatchery Water Supply Line
  - Basic maintenance, upgrades and improvements
  - Fish hatchery expansion and construction
- + \$300,000 for BIE—Preschool—Furnish, equip and staff two new classrooms
- + \$200,000 funding to continue the Lummi Nation's successful water rights restoration and management program.

#### COMMITTEE DIRECTION TO DEPARTMENT OF THE INTERIOR REQUESTS

Direct the Department of the Interior (DOI) and BIA to settle existing claims for past contract support funding owed to Tribes and consult with Tribes on contract support costs policies and procedures to govern future funding years.

Require Census to work with tribal governments and BIA to develop a tribal specific Census supplemental program.

Secure Residential School funding for youth who reside at Lummi Youth Academy.

Increase funding for Community Fire Protection Program consistent with tribally identified need(s).

#### LUMMI SPECIFIC REQUESTS—INDIAN HEALTH SERVICES

- + \$500,000 for IHS to provide minimal funding to the Lummi Nation under the ASAP and MMSP programs.

- + \$500,000 for IHS facility funding to support the start-up furnishing, staffing and equipment packages for a school and an urban healthcare clinic.

## COMMITTEE DIRECTION TO DHHS REQUESTS

IHS must take a leadership role in the implementation of the Affordable Care Act (ACA) amongst DHHS Operating Divisions.

IHS must take the primary role in the implementation of Indian Health Care Improvement Act.

Provide direct financial support to IHS for a Tribal/Federal Work Group which addresses the need for Basic Emergency Medical Services among tribal members.

## LUMMI SPECIFIC REQUESTS JUSTIFICATIONS—BIA/BIE

+ \$13 million over 10 years on fish hatcheries.—Lummi Nation Fish Biologists estimate that our fish hatcheries are currently operating at 30 percent of their productive capacity. Funding is needed to support increased hatchery production through basic maintenance, upgrades and improvements. This is addressed in the Lummi Nation's comprehensive plan to eliminate economic fishery disasters which have regularly occurred since 1999.

— + \$2 million for Phase 1—*Fish Hatchery Water Supply Line*.—We are requesting funding for the first phase of this project. Our goal is to increase fish returns by improving aquaculture and hatchery production and create a reliable, sustainable resource to salmon fishers by increasing enhancement.

— *Fish hatchery expansion and construction*.—The water infrastructure project is needed to support fish hatchery optimization expansion and construction to meet the demands of the modern world.

— + \$300,000 for the Lummi Nation Preschool to furnish, equip and staff for two new classrooms.—The Lummi Nation has financed the construction of a new early childhood learning facility to house the Lummi Nation Head Start Program, Lummi Nation Day Care and adding two new Classrooms from BIE Preschool funds.

— + \$200,000 funding to continue the Lummi Nation's successful water rights restoration and management program.—Lummi Nation developed its successful Water Rights Restoration and Management project, in response to literally decades of neglect by the Federal Government which resulted in the development of non-tribal community water systems on Lummi Reservation Lands; lands that are treaty-reserved for the exclusive use of Lummi Nation tribal membership. The Lummi Nation has been able to assume ownership of three reservation based water systems developed by non-Indians with relatively little disruption to water services. Our successful model requires substantial initial expenditures to avoid long term costs. Lummi Nation's approach is to use staff lawyers to work with existing water associations and stakeholders to negotiate and avoid long term costly litigation.

## COMMITTEE DIRECTION TO DOI REQUESTS JUSTIFICATIONS

Direct the DOI and the BIA to settle existing claims for past contract support funding owed to Tribes and consult with Tribes on contract support costs policies and procedures to govern future funding years.

Require the Department of Commerce, Bureau of the Census to work with the Department of the Interior—BIA to assume the responsibility and funding otherwise available for the U.S. Census of Indian Country. The BIA is uniquely constituted and situated to work with tribal governments to develop a comprehensive, reliable and valid Census for Indian Country. Now that the BIA is under pressure to improve the reliability and validity of its Labor Force Report and related data they are drawn back to the Census.

Secure Residential School funding for youth who reside at Lummi Youth Academy. The Lummi Nation has constructed facilities to support 70 residential service placements for Lummi Nation youth at the Lummi Nation Youth Academy. The Lummi Nation is seeking to assume authority and funding from existing BIA Residential Schools. The Lummi Nation is preparing formal notification, 18 months in advance of the planned assumption date.

Increase funding for Community Fire Protection Program consistent with tribally identified need(s). Tribal governments, who rely on these services to limit damage to property injury and death to its membership, must reach out to local services with little or no resources to support the services needed. In time of economic hardship local governments eliminate services for which there is no identified payment source. Currently, the Bureau Community Fire Protection Program is funded at \$845,000 which serves approximately 40 tribal communities out of a total of 565 + tribal communities.

## LUMMI SPECIFIC REQUESTS JUSTIFICATIONS—IHS

+ \$500,000 to allow the Indian Health Services to provide minimal funding to the Lummi Nation under the ASAP and MMSP programs.—The Alcohol and Substance Abuse and the Meth Mitigation and Suicide Prevention Programs fund services desperately needed by Lummi Nation membership on both an individual and community basis. Lummi Nation Police and Tribal Court handle more than 2,000+ alcohol and drug abuse cases each year.

+ \$500,000 for facility funding to support the start-up furnishing, staffing and equipping packages for a school and an urban healthcare clinic.—The Lummi Nation is seeking to expand access to healthcare services for its membership. We see the opportunity to expand Lummi Nation Health Care services to our tribal school and to our Lummi Nation urban population who reside off Reservation due to the lack of housing on the Reservation.

## COMMITTEE DIRECTION TO DHHS REQUESTS JUSTIFICATIONS

IHS must take a leadership role in the implementation of ACA amongst DHHS Operating Divisions. The IHS must act in concert with tribal governments who are seeking ways to ensure their membership accesses and benefits from National Health Care Reform.

Lummi Nation is requesting that the committee direct DHHS and IHS to convene in tribal consultations and Tribal Work Groups on program, services, functions and activity proposals of the Indian Health Services and the operating divisions.

IHS must take the primary role in the implementation of the Indian Health Care Improvement Act. There are several provisions of the Indian Health Care Improvement Act that must be supported and implemented through IHS. Sections 206, 222 and the sections that prohibit Indians being forced to register in a managed care plan. The Lummi Nation is requesting that the committee direct the Indian Health Services to form a Tribal/Federal Work Group to identify and develop a plan of action to address these implementation issues.

Provide direct financial support to the Agency for Tribal/Federal Work Group which addresses the need for Basic Emergency Medical Services among tribal members. IHS has assumed that other local governments are providing these essential community services. Tribal Governments rely on these services to limit damage to property, injury and death to its membership. During times of economic hardship local governments are cutting those services which are not supported by additional funding. Lummi Nation requests that the subcommittee provide specific financial support to the Tribal Federal Work Group convened to address the need to plan and implement essential community services.

*Regional Requests.*—The Lummi Nation supports the requests of the Affiliated Tribes of Northwest Indians, the Northwest Portland Area Indian Health Board and the Northwest Indian Fisheries Commission, that are beneficial to the region and our tribal interests.

*National and Self-Governance Fiscal Year 2013 Budget Priorities.*—In general, all BIA and IHS line items should be exempt from any budget rescission and discretionary funding budget reductions.

BIA:

—*Fully Fund Contract Support Costs (CSC).*—Provide increase over the President's fiscal year 2013 request needed to fund the CSC shortfall report.

—*Law Enforcement.*—Fully Fund all Provisions of the Tribal Law & Order Act of 2010 and VAWA's reauthorization tribal provisions that affect Indian Tribes and Law Enforcement programs, services and functions.

IHS:

—*Fully Fund Contract Support Costs (CSC).*—Provide increase over the President's fiscal year 2013 request needed to fund the CSC shortfall report.

—*Mandatory Costs.*—Provide increased funding for mandatory healthcare costs to maintain current services.

—*Purchased Referred Care (PRC), formally Contract Health Services.*—Provide a threefold increase to CHS Funding.

Thank you for this opportunity to provide Lummi Nation appropriations priorities for fiscal year 2014.

Hy'shqe.

## PREPARED STATEMENT OF THE LUMMI INDIAN BUSINESS COUNCIL

The purpose of this letter is to express the Lummi Nation's serious concern with respect to language in the fiscal year 2014 President' budget proposing a \$400,000

reduction in funding for the U.S. Fish and Wildlife Service's Aquatic Animal Drug Approval Partnership (AADAP) program. AADAP is the Nation's only program singularly committed to obtaining U.S. Food and Drug Administration approval of aquatic animal drugs needed by fisheries professionals. AADAP provides many key services to the USFWS and its partners, including the Northwest Indian Fisheries Commission and their 20 member treaty tribes, by providing access to needed drugs and securing drug approvals to ensure safe and effective drugs are available to treat disease, aid spawning, and facilitate field research and fisheries management activities. We firmly believe any reduction in funding for AADAP would have a significant, negative impact on the ability of the USFWS to meet tribal trust responsibilities and for the tribes themselves to accomplish fish production and field management objectives. We request that the proposed cuts be reconsidered, and that the AADAP program receive \$950,000 in base funding.

Lummi Nation owns and operates two anadromous salmon hatcheries in Whatcom County, Washington. One of the hatcheries is responsible for the recovery of an ESA-listed stock of spring chinook in the South Fork Nooksack River. This unique stock of fish is reliant on proper treatment in order to achieve the goal of recovery. Both hatcheries play an extremely important role in generating income for Lummi Tribal members through commercial fisheries, but most importantly, both hatcheries provide opportunity for subsistence for our Tribal community.

In order to continue providing salmon for our Tribal members as well as all members of the Whatcom County community, we must have access to safe and effective drugs for treating health-compromised rearing fish.

The Lummi Nation is aware of the challenging budgets facing all agencies. However, the AADAP program's dedication to fisheries conservation, track record of success, and critical deliverables are recognized by public and private fisheries and aquaculture stakeholders and conservation authorities as unduplicated and unparalleled. Attempts at cost savings that diminish this program also diminish needed Federal leadership in this area and jeopardize the ability of the USFWS to deliver effective fisheries conservation and fulfill trust responsibilities. Further, the Lummi Nation and our member treaty tribes continue to rely on AADAP to help us meet critical fisheries management needs. We strongly encourage you to fund AADAP at \$950,000 in base funding, a level we believe is essential to maintaining the performance and capacity of this program. We thank you in advance for your consideration of our view.

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#### PREPARED STATEMENT OF THE MANILAQ ASSOCIATION

*Summary.*—The Maniilaq Association is an Alaska Native regional nonprofit organization representing 12 tribes in Northwest Alaska. We provide health services through a self-governance agreement with the Indian Health Service (IHS). The focus of our testimony is on the need to bring some stability and certainty to the Indian Health Service budget by changing its funding to an advance appropriations basis. This is what Congress has done with regard to the Veterans Administration medical accounts, and we ask for comparable treatment with regard to the IHS.

We also ask that the Appropriations Committees address the chronic underfunding of the Village Built Clinics program (\$7.8 million increase) and IHS contract support costs (\$617 million total), and exempt the IHS from future budget sequestration.

#### ADVANCE APPROPRIATIONS

*The Need for Indian Health Service Advance Appropriation.*—The Federal health services to maintain and improve the health of American Indians and Alaska Natives are consonant with and required by the Federal Government's historical and unique legal relationship with, and resulting responsibility to, the American Indian and Alaska Native people. Since fiscal year 1998 there has been only 1 year (fiscal year 2006) when the Interior, Environment and Related Agencies appropriations bill has been enacted by the beginning of the fiscal year. The lateness in enacting a final budget during that time ranges from 5 days (fiscal year 2002) to 197 days (fiscal year 2011). Even after enactment of an appropriations bill, there is an apportionment process involving the Office of Management and Budget and then a process within the IHS for allocation of funds to the IHS area offices.

Late funding causes the IHS and tribal health care providers great challenges in planning and managing care for American Indians and Alaska Natives. It significantly hampers tribal and IHS healthcare providers' budgeting, recruitment, retention, provision of services, facility maintenance and construction efforts. Providing sufficient, timely, and predictable funding is needed to ensure the Government

meets its obligation to provide health care for American Indian and Alaska Native people.

In the case of the Maniilaq Association, we draft our budget for the coming fiscal year in the spring—a budget which must be reviewed, amended, and approved during the ensuing months. However, if we find out that come October, as has been the case for far too many years, that Congress has not enacted an IHS appropriations bill, we are in limbo and must spend considerable staff time re-doing our budget, perhaps multiple times. We—and all tribes and tribal organizations—are hampered by the uncertainty as to whether the Congress will be providing funding for built-in costs, including inflation and pay increases, what amount of funding we might have with regard to signing outside vendor and/or medical services contracts, ordering supplies, and making crucial hiring decisions.

*Advance Appropriations Explanation.*—As you know, an advance appropriation is funding that becomes available 1 year or more after the year of the appropriations act in which it is contained. For instance, if fiscal year 2015 advance appropriations for the IHS were included in the fiscal year 2014 Interior, Environment and Related Agencies Appropriations Act, those advance appropriations would not be counted against the fiscal year 2014 Interior, Environment, and Related Agencies Appropriations Subcommittee's funding allocation but rather would be counted against its fiscal year 2015 allocation. It would also be counted against the ceiling in the fiscal year 2015 budget resolution, not the fiscal year 2014 budget resolution.

To begin an advanced appropriations cycle there must be an initial transition appropriation which contains (1) an appropriation for the year in which the bill was enacted (for instance, fiscal year 2014) and (2) an advance appropriation for the following year (fiscal year 2015). Thereafter, Congress can revert to appropriations containing only 1 year advance funding. If IHS funding was on an advance appropriations cycle, tribal healthcare providers, as well as the IHS, would know the funding a year earlier than is currently the case and would not be subject to continuing resolutions. We note that advance appropriations are subject to across-the-board reductions.

*The Veterans Administration Experience.*—In fiscal year 2010 the Veterans Administration (VA) medical care programs achieved advance appropriations. This came after many years of veterans' organizations advocating for this change, including enactment of the Veterans Health Care Budget Reform and Transparency Act of 2009 (Public Law 111–81) which authorized advance appropriations and specified which appropriations accounts are to be eligible for advance appropriations. The act required the Secretary to include in documents submitted to Congress in support of the President's budget detailed estimates of the funds necessary for the medical care accounts of the Department for the fiscal year following the fiscal year for which the budget is submitted.

The fact that Congress has implemented advance appropriations for the VA medical programs provides a compelling argument for tribes and tribal organizations to be given equivalent status with regard to IHS funding. Both systems provide direct medical care and both are the result of Federal policies. Just as the veterans groups were alarmed at the impact of delayed funding upon the provision of healthcare to veterans and the ability of the VA to properly plan and manage its resources, tribes and tribal organizations have those concerns about the IHS health system. We also note that there is legislation (H.R. 813) pending in this Congress that would expand advance appropriations to the VA beyond its medical accounts.

We thus request this subcommittee's active support for any legislation that may be needed to authorize IHS advance appropriations, to protect such funding from a point of order in the budget resolution, and to appropriate the necessary funds. We have prepared a white paper on IHS advance appropriations and would be happy to share it with you.

#### VILLAGE BUILT CLINIC PROGRAM

Last year the Maniilaq Association, Aleutian Pribilof Islands Association, Bristol Bay Area Health Corporation, and Norton Sound Health Corporation submitted joint testimony to the committee regarding the chronic underfunding of the Village Built Clinic (VBC) program and the IHS's refusal to provide maintenance and improvement funding for the VBC-leased clinics. These clinics are vital to the provision of services by the Community Health Aides/practitioners who provide primary healthcare services and coordinate patient care through referral relationships with midlevel providers, physicians, and regional hospitals. The situation has not improved and we ask, as have other Alaska Native healthcare providers, that Congress direct the IHS to utilize fiscal year 2014 appropriations to fully fund the Village Built Clinics leases in accordance with section 804 of the Indian Health Care Im-



provement Act (IHCIA). Section 804 of the IHCIA (25 U.S.C. 1674) authorizes the Secretary “notwithstanding any other provision of law” to enter into leases with Indian tribes for a period not in excess of 20 years. It provides that leased property may be “reconstructed or renovated” by the Secretary and that lease costs “include rent, depreciation based on the useful life of the building, principal and interest paid or accrued, operation and maintenance expenses, and other expenses determined by regulation to be allowable.” We estimate an additional \$7.8 million more than current IHS resources needs to be allocated to VBC leases.

#### IHS CONTRACT SUPPORT COSTS

*IHS Contract Support Costs Shortfall.*—We appreciate the recent increases provided by the Congress for Contract Support Costs (CSC) owed to tribes and tribal organizations under the Indian Self-Determination and Education Assistance Act (ISDEAA) and Federal case law. Even so, there remains an ongoing shortfall of CSC, which continues to impose significant hardships on us and on other tribes/tribal organizations and our ability to provide adequate health services to our patients. We urge the subcommittee to continue to push for full funding of CSC. While it is difficult to estimate the full CSC need for fiscal year 2014—in part because IHS refuses to release its CSC distribution data for the last 2 years, as discussed further below—we estimate the total need in fiscal year 2014 to be \$617 million.

Given the progress toward full CSC funding in recent years, we found it surprising that the administration’s fiscal year 2014 budget, released on April 10, proposed only a minimal increase for IHS CSC to \$477,205,000. This would force tribes to absorb almost \$140 million in uncompensated costs for overhead and administration of Federal programs. Just as bad, the administration’s proposed appropriations act language attempts to preclude tribes from recovering any of their CSC shortfalls through contract actions, which the Supreme Court said is currently their right in the *Ramah* case. The bill language would incorporate by reference a table identifying the maximum amount of CSC available for every single ISDEAA agreement. We urge that the committee reject this proposed approach and, instead, fully fund CSC for both IHS and BIA.

Additionally, the IHS has failed to provide CSC shortfall reports to Congress for fiscal years 2011 and 2012. We and other co-signers to the Alaska Tribal Health Compact, under title V of the ISDEAA, recently asked the IHS to share the shortfall data for those years with all of the co-signers. Access to the CSC shortfall data, if not the reports themselves, is critical to our ability to understand the IHS’s view of the scope of CSC underfunding, to evaluate IHS’s allocation of its insufficient past CSC appropriations, and to pursue full CSC funding moving forward. The IHS has to date refused to make the information available, and again refused as recently as the co-signers’ meeting with the IHS Area Lead Negotiator for the Alaska Area of IHS in March 2013. We thus ask that the committees direct the IHS to immediately release the fiscal years 2011 and 2012 CSC shortfall reports, or, at the least, the CSC shortfall data for those fiscal periods.

#### SEQUESTRATION

*Exempt IHS From Sequestration.*—We are very concerned about the scale of reductions imposed on IHS and tribes/tribal organizations under the fiscal year 2013 budget sequestration. The IHS budget is fully sequestrable, which resulted in a \$220 million cut in funding to the IHS for fiscal year 2013. IHS lost \$195 million for programs like hospitals and health clinics services, contract health services, dental services, mental health and alcohol and substance abuse. Impacts are also felt on programs and projects necessary for maintenance and improvement of health facilities. These negative effects are then passed down to every Indian Self-Determination Act contractor including the Maniilaq Association.

We believe the IHS’s budget should be exempt from these reductions. The United States has a trust responsibility for the health of Alaska Native and American Indian people. We fail to understand why this responsibility was taken less seriously than the Nation’s promises to provide healthcare to our veterans. The Veterans Health Administration (as well as Medicaid and most of Medicare) was made fully exempt from sequestration for all programs administered by the VA. We thus strongly urge the subcommittee to support an amendment to the Balanced Budget and Emergency Deficit Control Act to fully exempt the IHS from any future sequestration, just as the VA’s programs are exempt.

Thank you for your consideration of our concerns and requests. We are happy to respond to questions or provide any additional information you may want.

## PREPARED STATEMENT OF THE M.A.C.T. HEALTH BOARD, INC.

On behalf of the M.A.C.T. Health Board, Inc. (MACT), a tribal organization providing healthcare services to Indian beneficiaries living in a rural four-county area (Mariposa, Amador, Calaveras, and Tuolumne Counties) in central California, I submit this testimony regarding the fiscal year 2014 Indian Health Service (IHS) budget. Our requests are that Congress:

- Reject the administration's attempt to eliminate contract support cost (CSC) shortfall recovery by specifying in the appropriations bill capped amounts for individual Self-Determination contracts.
- Fully fund Indian Health Service (IHS) CSC at \$617 million, an amount \$140 million over the President's fiscal year 2014 budget request.

MACT has provided healthcare services to tribal members, their families, and other community members since 1969, when it opened the Tuolumne Rural Indian Health Center. Since that time, we have opened clinics in Sonora, Jackson, San Andreas, and Mariposa to serve patients in the Central Sierras. Until March 31, 2013, MACT provided healthcare services to eligible Indian beneficiaries in its four-county service area pursuant to a subcontract with the California Rural Indian Health Board, Inc. (CRIHB), which maintained a self-determination contract with the Indian Health Service (IHS) under the Indian Self-Determination and Education Assistance Act (ISDEAA). During this period, MACT developed nine clinic facilities in various locations, which MACT operates to effectively serve the Indian population in this large and remote service area. We have also expanded our services to include medical, dental, outreach, behavioral health, substance abuse, and diabetic telehealth programs. We currently serve 3,325 Indian beneficiaries.

IT IS LIKELY THAT MACT WILL BE PAID NO INDIRECT CSC IF CONTRACTOR-BY-  
CONTRACTOR "CAPS" ARE IMPLEMENTED AS PROPOSED BY THE ADMINISTRATION

MACT objects to the administration's proposal to cap CSC for individual self-determination contractors. Exactly how the administration's proposed individual CSC cap would be implemented is not altogether clear, but it appears that the impact of such caps on MACT will be particularly dramatic because of its status as a new contractor in fiscal year 2013 that will be paid only a small portion of its CSC entitlement in the first year of the contract. I provide some background on our unique circumstances below.

Prior to fiscal year 2013, MACT provided healthcare services through a subcontract with CRIHB. CRIHB's self-determination contract with IHS explicitly stated that CRIHB would provide healthcare services in to the eligible population in MACT's four-county service area through a subcontract with MACT. The subcontract between MACT and CRIHB described the scope of the services to be provided by MACT by references to the scope of work described in CRIHB's ISDEAA contract. As a subcontractor of CRIHB, MACT received the program funds associated with the services provided by MACT and a portion of both the indirect and direct CSC, which CRIHB received from the IHS for the services provided by MACT. Under its last contract with IHS, CRIHB received approximately \$55,000 in direct CSC and \$850,000 in indirect CSC associated with the MACT program.

In 2012, MACT determined that it would be able to better serve the eligible population within its service area by contracting directly with IHS. MACT's last subcontract with CRIHB expired on March 31, 2013, the same date that CRIHB's self-determination contract with IHS expired. On December 28, 2012 MACT submitted a proposal to contract directly with IHS pursuant to title I of the ISDEAA, effective April 1, 2013, to provide the same services it provided as a subcontractor. MACT's current contract became effective on April 1, 2013. Under its new contract, MACT provides services to the same eligible Indian population in the same service area that it previously provided as CRIHB's subcontractor. MACT also operates the same clinic facilities it previously operated as a subcontractor of CRIHB.

Under the contract, MACT receives the program funding associated with the services provided by MACT directly from the IHS. MACT is also entitled under the ISDEAA to be paid both indirect and direct CSC associated with these services. When MACT provided these services through a subcontract with CRIHB, CRIHB paid a portion of the indirect and direct CSC it received from IHS to MACT.

Under existing IHS policy, upon MACT's withdrawal from CRIHB, CRIHB was required to return the total amount of direct CSC IHS paid for MACT's subcontract to IHS so that those funds could be included in MACT's new contract. The policy does not, however, require CRIHB to return any portion of the indirect CSC associated with MACT's program to IHS if CRIHB is not funded at 100 percent of its overall CSC need. As a result, unless CRIHB voluntarily agrees to return the indirect CSC to IHS, the agency cannot unilaterally reduce CRIHB's indirect CSC amount

to pass on to MACT, even though part of that funding was based on the services which CRIHB is no longer providing through MACT.

In previous years, when a subcontractor pulled out of CRIHB and entered into an ISDEAA agreement directly with IHS, CRIHB voluntarily agreed to pass on the portion of indirect CSC associated with the services that were removed from CRIHB's contract. In the case of MACT's withdrawal, however, CRIHB has refused to return any indirect CSC back to IHS. MACT and IHS are still completing negotiations on the exact amount of direct and indirect CSC that IHS will transfer to MACT under the contract, but given CRIHB's position, it is likely that IHS will only be able to pay MACT direct CSC, or approximately \$55,000, once final numbers have been established. It is also likely that no indirect CSC—or the approximately \$850,000 that CRIHB was paid in fiscal year 2012 associated with MACT's subcontract—will be paid. The indirect CSC that are not paid to MACT will be added to the IHS shortfall lists and will not be paid, unless Congress appropriates sufficient new CSC to pay MACT and all other tribal contractors full CSC entitlements, an unlikely scenario based on the President's budget proposal.

As a result of this situation, while MACT is entitled under the ISDEAA to be paid its full indirect and direct CSC, in 2013 IHS will most likely only pay a small fraction of the full amount. If, as is a possible reading of the administration's unclear proposal, the amount of CSC that MACT was paid in fiscal year 2013 becomes the amount that is capped in 2014, there will be no new CSC funds available in the budget to pay MACT any indirect CSC. Because of this unique situation, MACT could never be paid any indirect CSC funds and only a portion of its direct CSC funds in its 2014 ISDEAA agreement, unless Congress makes a special exception for MACT if it implements the President's proposal. In contrast, under current law, while MACT will not be paid for indirect CSC in fiscal year 2013 up front by the IHS, under the *Salazar v. Ramah Navajo Chapter*, 132 S.Ct. 2181 (2012) decision, MACT retains the right to file a Contract Disputes Act claim to recover its full CSC entitlement—including its share of the indirect CSC that CRIHB has to date refused to return to the IHS—that the ISDEAA contemplates tribal contractors will be paid.

This result—which is caused by the IHS CSC policy and the lack of full CSC funding—is punitive and unfair. A tribal organization should not be so severely punished for directly contracting with IHS under the ISDEAA. We urge the Congress to reject the administration's request to impose a cap. If, however, Congress adopts the administration's proposal to cap CSC on a contract-by-contractor basis, due to MACT's unique situation, we request that the subcommittee exempt MACT from the administration's proposal and provide that MACT receive full CSC funding in accordance with the ISDEAA in fiscal year 2014.

THE CONGRESS SHOULD FULLY FUND CONTRACT SUPPORT COSTS AND REJECT THE  
ADMINISTRATION'S ATTEMPT TO CAP CSC PER INDIVIDUAL CONTRACT

MACT's unique situation aside, we urge the committees to provide full funding of CSC due tribal contractors. IHS has a duty to fully fund the CSC that cover the administrative and overhead portions of the programs MACT has contracted to carry out. We are grateful for recent increases in CSC, but there is still a ways to go to meet the true need. Unfortunately, the President's proposed budget would continue the underfunding of CSC, crippling all contractors' ability to operate their programs as intended.

The President proposes that IHS receive \$477,205,000 for CSC in fiscal year 2014. This amount is far below the estimated need of \$617 million. While Congress has in the past appropriated additional funding for CSC owed to tribes and tribal organizations under applicable law, those additional appropriated funds are not enough to eliminate the ongoing shortfall of CSC. As a result, tribes and tribal organizations continue to endure significant financial restrictions that translate into less healthcare for our patients.

These shortfalls force contractors to transfer funds intended to provide health services into operational and administrative accounts that keep our programs running. For too long, the Government has treated tribal contractors differently from other Government contractors with regard to CSC payment. The Supreme Court ruled this disparity is unjustified in *Salazar v. Ramah Navajo Chapter*, and held the Government liable for failing to pay full CSC to tribal contractors in past years. *Id.*

In an attempt to skirt this responsibility, the administration proposes to limit CSC payments to tribal contractors by submitting a list of contractors to the House and Senate Appropriations Committees, with recommended individual appropriations for each contractor, as mentioned above. How the proposal will be implemented is unclear. For example, when would the list be compiled: before the Presi-

dent's budget is proposed or after the appropriations has been enacted? Implementation of the proposal appears to us not only untenable and unwieldy; it is also unjust.

We are further concerned that the administration has made no effort to include tribes in the process of preparing the proposed CSC funding levels. While the President's proposal says this new effort is part of the "longstanding policy of managing CSC costs," tribal contractors know that this means saddling us with chronic CSC shortfalls year after year. These shortfalls are an effective penalty for engaging in self-determination or self-governance contracting. Both the annual underfunding and the administration's misguided proposal for fiscal year 2014 are contrary to the stated policy of both the Congress and the administration to encourage tribal self-determination. The simplest and most fair answer is to fully fund tribal contractors' CSC. We urge the Congress to reject the President's proposal outright, and fully fund IHS contract support costs at \$617 million.

#### CONCLUSION

MACT is a newly independent tribal contractor, and, in this new capacity, it will continue provide the best, most responsive and accountable services our patients have ever received. We are very concerned, however, that the President's proposal will impose a CSC payment system that will disproportionately and unfairly impact MACT's right to be paid full CSC funding under the ISDEAA. This, in turn, will severely impact MACT's ability to provide desperately needed health services to our patients. We urge the Congress to reject the administration's proposal and instead fully fund all tribes' CSC needs. If Congress decides to implement the administration's proposal we urge that MACT be exempted from the negative impacts of the proposal.

Thank you for our consideration, and I will be glad to provide any additional information the committees may request.

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#### PREPARED STATEMENT OF THE MANILAQ ASSOCIATION

*Summary.*—The Maniilaq Association is an Alaska Native regional nonprofit organization representing 12 tribes in Northwest Alaska. We provide health services through a self-governance agreement with the Indian Health Service (IHS). The focus of our testimony is on the need to bring some stability and certainty to the Indian Health Service budget by changing its funding to an advance appropriations basis. This is what Congress has done with regard to the Veterans Administration medical accounts, and we ask for comparable treatment with regard to the IHS.

We also ask that the Appropriations Committees address the chronic underfunding of the Village Built Clinics program (\$8.2 million increase), IHS contract support costs (\$617 million total), BIA contract support costs (\$242 million total), reject the administration's proposal to limit recovery of contract support costs, and exempt the IHS from future budget sequestration.

#### ADVANCE APPROPRIATIONS

*The Need for Indian Health Service Advance Appropriation.*—The Federal health services to maintain and improve the health of American Indians and Alaska Natives are consonant with and required by the Federal Government's historical and unique legal relationship with, and resulting responsibility to, the American Indian and Alaska Native people. Since fiscal year 1998 there has been only 1 year (fiscal year 2006) when the Interior, Environment and Related Agencies appropriations bill has been enacted by the beginning of the fiscal year. The lateness in enacting a final budget during that time ranges from 5 days (fiscal year 2002) to 197 days (fiscal year 2011). Even after enactment of an appropriations bill, there is an apportionment process involving the Office of Management and Budget and then a process within the IHS for allocation of funds to the IHS Area Offices.

Late funding causes the IHS and tribal healthcare providers great challenges in planning and managing care for American Indians and Alaska Natives. It significantly hampers tribal and IHS healthcare providers' budgeting, recruitment, retention, provision of services, facility maintenance and construction efforts. Receipt of funds late also severely impacts Maniilaq's ability to invest the funds and generate interest which can be used to offset the chronic underfunding of the region's health programs. Providing sufficient, timely, and predictable funding is needed to ensure the Government meets its obligation to provide healthcare for American Indian and Alaska Native people.

In the case of the Maniilaq Association, we draft our budget for the coming fiscal year in the spring—a budget which must be reviewed, amended, and approved dur-

ing the ensuing months. However, if we find out that come October, as has been the case for far too many years, that Congress has not enacted an IHS appropriations bill, we are in limbo and must spend considerable staff time re-doing our budget, perhaps multiple times. We—and all tribes and tribal organizations—are hampered by the uncertainty as to whether Congress will provide funding for built-in costs, including inflation and pay increases, what amount of funding we might have with regard to signing outside vendor and/or medical services contracts, ordering supplies, and making crucial hiring decisions.

*Advance Appropriations Explanation.*—As you know, an advance appropriation is funding that becomes available 1 year or more after the year of the appropriations act in which it is contained. For instance, if fiscal year 2015 advance appropriations for the IHS were included in the fiscal year 2014 Interior, Environment and Related Agencies Appropriations Act, those advance appropriations would not be counted against the fiscal year 2014 Interior Appropriations Subcommittee's funding allocation but rather would be counted against its fiscal year 2015 allocation. It would also be counted against the ceiling in the fiscal year 2015 budget resolution, not the fiscal year 2014 budget resolution.

To begin an advanced appropriations cycle there must be an initial transition appropriation which contains (1) an appropriation for the year in which the bill was enacted (for instance, fiscal year 2014) and (2) an advance appropriation for the following year (fiscal year 2015). Thereafter, Congress can revert to appropriations containing only 1 year advance funding. If IHS funding was on an advance appropriations cycle, tribal healthcare providers, as well as the IHS, would know the funding a year earlier than is currently the case and would not be subject to continuing resolutions. We note that advance appropriations are subject to across-the-board reductions.

*The Veterans Administration Experience.*—In fiscal year 2010 the Veterans Administration (VA) medical care programs achieved advance appropriations. This came after many years of veterans' organizations advocating for this change, including enactment of the Veterans Health Care Budget Reform and Transparency Act of 2009 (Public Law 111–81) which authorized advance appropriations and specified which appropriations accounts are to be eligible for advance appropriations. The act required the Secretary to include in documents submitted to Congress in support of the President's budget detailed estimates of the funds necessary for the medical care accounts of the Department for the fiscal year following the fiscal year for which the budget is submitted.

The fact that Congress has implemented advance appropriations for the VA medical programs provides a compelling argument for tribes and tribal organizations to be given equivalent status with regard to IHS funding. Both systems provide direct medical care and both are the result of Federal policies. Just as the veterans groups were alarmed at the impact of delayed funding upon the provision of healthcare to veterans and the ability of the VA to properly plan and manage its resources, tribes and tribal organizations have those concerns about the IHS health system. We also note that there is legislation (H.R. 813) pending in this Congress that would expand advance appropriations to the VA beyond its medical accounts.

We thus request this subcommittee's active support for any legislation that may be needed to authorize IHS advance appropriations, to protect such funding from a point of order in the budget resolution, and to appropriate the necessary funds. We have prepared a white paper on IHS advance appropriations and would be happy to share it with you.

#### VILLAGE BUILT CLINIC PROGRAM

Last year the Maniilaq Association, Aleutian Pribilof Islands Association, Bristol Bay Area Health Corporation, and Norton Sound Health Corporation submitted joint testimony to the committee regarding the chronic underfunding of the Village Built Clinic (VBC) program and the IHS' refusal to provide maintenance and improvement funding for the VBC-leased clinics. These clinics are vital to the provision of services by the Community Health Aides/practitioners who provide primary healthcare services and coordinate patient care through referral relationships with midlevel providers, physicians, and regional hospitals. The situation has not improved and we ask, as have other Alaska Native healthcare providers, that Congress direct the IHS to utilize fiscal year 2014 appropriations to fully fund the Village Built Clinics leases in accordance with section 804 of the Indian Health Care Improvement Act (IHCIA). Section 804 of the IHCIA (25 U.S.C. 1674) authorizes the Secretary "notwithstanding any other provision of law" to enter into leases with Indian tribes for a period not in excess of 20 years. It provides that leased property may be "reconstructed or renovated" by the Secretary and that lease costs "include

rent, depreciation based on the useful life of the building, principal and interest paid or accrued, operation and maintenance expenses, and other expenses determined by regulation to be allowable.” We estimate an additional \$8.2 million over current IHS resources needs to be allocated to VBC leases.

#### CONTRACT SUPPORT COSTS

*IHS Contract Support Costs Shortfall.*—We appreciate the recent increases provided by Congress for Contract Support Costs (CSC) owed to tribes and tribal organizations under the Indian Self-Determination and Education Assistance Act (ISDEAA) and Federal case law. Even so, there remains an ongoing shortfall of CSC, which continues to impose significant hardships on us and on other tribes/tribal organizations and our ability to provide adequate health services to our patients.

However, the President has proposed only \$477,205,000 for IHS CSC, far below the estimated need of \$617 million. In addition, the administration proposes to limit CSC payments to tribal contractors by submitting a list of contractors to the House and Senate Appropriations Committees, with recommended, individual appropriations for each contractor. This proposed system is wholly unworkable. And—as it is created without any input from ISDEAA contractors—we fear the list will fail to reflect true CSC needs since the administration has proven itself unable to properly account for contract support costs. The simplest and most fair answer is to fully fund tribal contractors’ CSC.

We urge the Congress to reject the President’s proposal outright, and fully fund IHS contract support costs at \$617 million.

*BIA Contract Support Costs Shortfall.*—The President proposes \$230 million for Bureau of Indian Affairs contract support costs. This amount is closer to the estimated full need of \$242 million than the IHS proposal, but still falls short of the actual need. Additionally, the President proposes the same system to cap BIA CSC as he did for the IHS. Maniilaq rejects this misguided proposal, and urges the committees to fully fund the BIA contract support costs at \$242 million, which will erase the need for the administration’s contortionist attempts to handle CSC shortfalls.

*Unreleased IHS CSC Shortfall Reports.*—IHS must submit CSC shortfall reports to Congress no later than May 15 of each year, per section 106(c) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. § 450j–1(c)). Yet, the IHS has failed to submit CSC shortfall reports for fiscal years 2011 and 2012. Tribes have repeatedly asked the agency to release this data, which is critical for our ability to understand the IHS’s view of the underfunding, and to pursue full payment of CSC, to which the Tribe is legally entitled. The IHS has refused to release these reports time and again, most recently in March of this year.

We ask the committees to direct the IHS to release the shortfall data for fiscal years 2011 and 2012 immediately—and to submit future reports on time—as required under the law.

#### SEQUESTRATION

*Exempt IHS From Sequestration.*—We are very concerned about the scale of reductions imposed on IHS and tribes/tribal organizations under the fiscal year 2013 budget sequestration. The IHS budget is fully sequestrable, which resulted in a \$220 million cut in funding to the IHS for fiscal year 2013. IHS lost \$195 million for programs like hospitals and health clinics services, contract health services, dental services, mental health and alcohol and substance abuse. Impacts are also felt on programs and projects necessary for maintenance and improvement of health facilities. These negative effects are then passed down to every Indian Self-Determination Act contractor including the Maniilaq Association.

We believe the IHS’s budget should be exempt from these reductions. The United States has a trust responsibility for the health of Alaska Native and American Indian people. We fail to understand why this responsibility was taken less seriously than the Nation’s promises to provide healthcare to our veterans. The Veterans Health Administration, Medicaid, and all but 2 percent of Medicare’s administrative costs were made fully exempt from sequestration for all programs administered by the VA. We thus strongly urge the committee to support an amendment to the Balanced Budget and Emergency Deficit Control Act to fully exempt the IHS from any future sequestration, just as the VA’s programs are exempt.

Thank you for your consideration of our concerns and requests. We are happy to respond to questions or provide any additional information you may want.

## PREPARED STATEMENT OF THE MINNESOTA CITIZENS FOR THE ARTS

Minnesota Citizens for the Arts (MCA), representing 1,400 arts organizations and 38,000 artists and their audiences are pleased to submit written testimony to the Senate Appropriations Subcommittee on the Interior, Environment, and Related Agencies supporting fiscal year 2014 funding for the National Endowment for the Arts (NEA) at the level of \$154.466 million. MCA is a member of Americans for the Arts.

I would like to talk about how the NEA serves as a catalyst to increase access to the arts for all Americans.

Several years ago the citizens of Minnesota took the rather extraordinary step of approving a ballot measure to add an amendment to our State constitution to create dedicated funding for the arts and the environment. By a wide popular vote Minnesotans voted to tax themselves to increase support for the arts because they agreed that the arts bring benefits to their quality of life and economy. We are now the only State in the country to have the arts as part of our constitution (although John Adams, when he wrote the Massachusetts State constitution, included the arts as one of the subject areas required to be provided as part of the State's educational system). There are many polls that suggest that Americans support arts funding, but in Minnesota we took it to the ballot box and received a very strong yes.

The arts hold a special place in the hearts of Minnesotans whether they live in the heart of the Twin Cities of St. Paul and Minneapolis, or in any town or rural area from Ada to Zumbrota. The passage of what is now called the "Legacy Amendment" has led to an extraordinary flowering of artistic activity that is bringing together people from all walks of life to share in creative activities and the bettering of their communities through arts.

The National Endowment for the Arts set the stage for this extraordinary action by investing in and encouraging the arts to flourish in every State through its highly effective grant programs. The NEA serves as a catalyst for additional State and local investments in the arts such as the bipartisan Legacy Amendment by providing examples to the States of highly effective creative and cultural projects as well as organizations that promote access to and involvement in the arts for all citizens.

Economists are increasingly aware that when citizens gather together to create or perform the arts, they too are a catalyst for economic activity that brings people together to revitalize neighborhoods, energize businesses, and bring energy to our economy. Through the relatively small investments made by the NEA, Congress is making possible extraordinary things all across the country, including seeding new jobs in the creative economy. In Minnesota alone, the arts have more than a \$1 billion economic impact through the entrepreneurial work of artists starting small businesses, arts organizations producing and presenting the arts and the audiences who are drawn to and who participate in the wonderful work they create. We know through other studies that Minnesota's artists themselves are fully engaged in their communities, volunteering and voting at higher rates than other citizens, contributing their passions and their creativity to their neighborhoods and to their towns. Minnesota has 1,400 nonprofit arts organizations who serve nearly 13 million attendees each year—more than twice the population of the State. This story is repeated in State after State where the NEA has had an impact.

As a child I was lucky to have parents who would take me on Sunday after church for "Culture Day" to all of the wonderful cultural organizations in our area—the Walker Arts Center, considered one of the premier modern art museums in the world, the Minneapolis Institute of Arts, which makes masterpieces from cultures across the globe available to all for free, and many other nonprofit arts organizations in St. Paul that opened my eyes to the beauty that was possible in the world and inspires me in my work even today. Even back then (and I'm not going to say how far back this was) these organizations were supported and helped along by the National Endowment for the Arts in their work to make the arts accessible to all Americans, regardless of where they live and what their resources, because the arts give us access to our cultural heritage and to ways of thinking that make us more engaged and better citizens. Because of the NEA's support these organizations are serving even more people now than they were then, and even reaching out to the rest of the world through new arts access points on the web.

I'd like to talk about two examples of how the NEA has been a catalyst for creativity and access to the arts across the country through grants to arts organizations in Minnesota.

In the late 1990s the National Endowment for the Arts provided seed money for a program at the American Composer's Forum in St. Paul that, although it's based in Minnesota, has had a wide-ranging impact across the country on the music avail-

able to kids picking up their instruments for the first time to play in middle school bands. I know if you're a parent you may have had the privilege of attending middle school band concerts. It can be tough going, and not just because the instruments are making squawking noises as kids learn to control the sounds, but particularly because the music itself can be so uninteresting and sometimes just bad.

In 1997 the NEA funded a program at the American Composer's Forum called "BandQuest"—a program that commissions simple but creative music for middle school bands. It was—and is—a desperate need for this important age group. Prominent living American composers—at least four of whom have won Pulitzer Prizes—are paired with middle school bands around the country to enrich their educational experience with new, challenging and interesting music. Imagine—Pulitzer Prize winning composers in residence in a middle school—writing great music that is inspired by the students themselves—their lives, their interests, and their town. The program's multiple goals include creating new high quality music that will keep the kids interested in learning, creating music that can be shared with other schools across the country, and providing musical experiences for kids that will inspire them to become life-long learners in the arts. The new music created by the modest NEA grant then became available to teachers and students all across the country to play with their own kids.

Minnesota composer Stephen Paulus who was one of the founders of the American Composers Forum, was one of the earliest participants in the program creating a piece for BandQuest called "Mosaic."

Another participant in BandQuest, Michael Colgrass, a Pulitzer Prize winning composer, created a piece called "Old Churches," which took Gregorian chants and bells as its inspiration and has since become one of the most popular musical scores for kids in middle schools to play across the country. In fact, since his work with the project he's been inspired to go on to write six more pieces for middle school kids, so yet again with this project the NEA grant has acted as a catalyst to leverage additional investments and creativity in American schools.

The National Endowment for the Arts, by continuing its rather modest investment in this program for the past several years, has increased exponentially the challenging and interesting music available to middle school students everywhere who are just learning to play their instruments. In addition, the NEA grant was a catalyst to additional private investment totaling three times the size of the grant, and the series continues to this day as one of the leading sources of great music for kids by living composers.

More than 500,000 kids in every State, including Idaho, Virginia and Oklahoma have benefited from the ripple effect of the NEA's investment, creating a lasting impact and inspiring kids across the country to think of music as relevant to their own lives.

As one participating student said, "I have a deep respect for (the composer). I play bassoon, and without this song my life would not be complete. Thank you." That—from a 12 year old.

Another program funded by the NEA in St. Paul has also served as a catalyst for growing entrepreneurship and small businesses in the arts across the country. Springboard for the Arts is an economic development agency run by and for artists, based in St. Paul. Springboard creates programs that help artists make both a living and a life and programs that help communities tap into the resources artists can provide. Their programs include business skills and entrepreneurship training for artists and programs that pair artists with small businesses to develop creative ways of attracting people and dollars.

Springboard creates these innovative programs from their home in Minnesota, and in recent years support from the NEA has helped them create models and tool-kits so that these training programs can be shared with communities all across the country. The NEA has again been a catalyst, helping to scale up Springboard's work to a national level and allowing communities of all sizes (and particularly rural communities) to get access to the programs and services that help artists contribute more to the economy and to their communities.

For example, because of the NEA's support, Springboard has been able to provide training in entrepreneurship for artists in Cedar Rapids, Iowa, where artists are leading the way in the redevelopment of a business district devastated by the historic 2008 flood.

Because many artists are small business entrepreneurs, they make good things happen at the local level. The creation of art has real economic spillover effects—sales revenue, advertising revenue, and jobs. Improving income for individual artists through training and other opportunities allows them to better join the economic mainstream. As new markets develop around the arts, businesses benefit, too. And



because artists and art projects make places more attractive to shoppers, entrepreneurs and homebuyers, the larger community benefits.

The National Endowment for the Arts has an important role as a catalyst in promoting opportunities for Americans to participate in the arts, spurring employment for artists and for encouraging economic activity made possible by the arts. For this reason I would like to conclude by reiterating our request that the subcommittee fund the National Endowment for the Arts at the President's request of \$154.466 million.

We are concerned that the nonprofit arts and the small businesses they often work with will be negatively impacted by cuts just as they are starting to get back on their feet after the recession. The dollars provided by the National Endowment for the Arts draw other private and public investments that make our local economies thrive. Please support the NEA's request.

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#### PREPARED STATEMENT OF THE MARINE CONSERVATION INSTITUTE

Mr. Chairman and members of the subcommittee: Marine Conservation Institute, based in Seattle, Washington, is a nonprofit conservation organization that uses the latest science to identify important marine ecosystems around the world, and then advocates for their protection for us and future generations. I wish to thank the members of the Subcommittee on Interior, Environment, and Related Agencies for the opportunity to submit written testimony on the fiscal year 2014 appropriations in regards to the U.S. Fish and Wildlife Service's (FWS) National Wildlife Refuge System (NWRS), particularly the monuments and refuges that conserve marine environments. Marine Conservation Institute is a member of the Cooperative Alliance for Refuge Enhancement (CARE), a coalition of more than 20 wildlife, sporting, and conservation organizations advocating for the National Wildlife Refuge System. Marine Conservation Institute specifically requests \$6.8 million, an increase of \$1.8 million, to more adequately manage and protect the marine national monuments in the Pacific in 2014.

President George W. Bush established four marine national monuments in the Pacific Ocean: Papahānaumokuākea Marine National Monument; Marianas Trench Marine National Monument; Pacific Remote Islands Marine National Monument; and Rose Atoll Marine National Monument. Together, these monuments protect approximately 335,348 square miles of marine habitat, and constitute about one-third of the entire NWRS. The four monuments include 12 marine refuges and more than 20 islands, atolls and reefs spread across the Pacific Ocean. Each monument was designated because of its individual ecological and cultural uniqueness.

However, many years after the establishment of these monuments, Marine Conservation Institute is greatly concerned that the NWRS lacks adequate resources to effectively protect and conserve the lands and waters of all four monuments. Marine Conservation Institute believes that even in these difficult budget times, protecting these ocean treasures should be a priority.

According to the National Ocean Economics Program, the U.S. ocean and coastal economy contributes more than \$258 billion to our Nation's GDP annually. Compared to other marine ecosystems, the marine monument ecosystems are relatively intact, rich in biodiversity and relatively free from the problems plaguing many other marine ecosystems: over-exploitation, disturbance, and pollution. Using these remarkably intact tropical ecosystems, U.S. scientists are developing an understanding of what healthy and productive places really look like, which helps us identify negative impacts to marine ecosystems closer to home and shows us the benefits of restoration activities.

#### SIGNIFICANCE OF OUR NATION'S MARINE NATIONAL MONUMENTS

##### *Papahānaumokuākea Marine National Monument*

Papahānaumokuākea Marine National Monument, also referred to as the Northwestern Hawaiian Islands, is the largest conservation area (139,797 square miles) under U.S. jurisdiction. It was established to protect the exceptional diversity of natural and cultural resources. The monument is home to millions of seabirds, an incredible diversity of coral reef species, and the highly endangered Hawaiian monk seal. Approximately 90 percent of Hawaii's green sea turtles nest in the monument, as do about 99 percent of the world's population of Laysan albatross and 98 percent of the black-footed albatross. In 2010, the monument was designated as a World Heritage Site by the United Nations Education, Scientific, and Cultural Organization (UNESCO), expanding recognition globally of the monument's unique natural and cultural resources.

*Pacific Remote Islands Marine National Monument*

The Pacific Remote Islands Marine National Monument contains some of the last remaining, relatively intact coral reef and pelagic ecosystems in the Pacific Ocean. Any one of the seven coral islands within the monument contains nearly four times more shallow water, reef-building coral species than the entire Florida Keys. The monument provides habitat for an estimated 14 million seabirds and many threatened or endangered species, such as leatherback, loggerhead, and green sea turtles; humphead wrasse; bumphead parrotfish; and the globally depleted giant clam. An estimated 200 seamounts, most of which have yet to be identified or explored, are predicted to exist within 200 nautical miles of the seven islands. Seamounts are important biodiversity hotspots because they provide habitat and localized nutrients for many species, including commercially important species, in the vast pelagic waters of the Pacific.

*Rose Atoll Marine National Monument*

Rose Atoll Marine National Monument is home to a very diverse assemblage of terrestrial and marine species, many of which are threatened or endangered. Rose Atoll supports 97 percent of the seabird population of American Samoa, including 12 federally protected migratory seabirds and 5 species of federally protected shorebirds. Rose Atoll is the largest nesting ground in the Samoan Islands for threatened green sea turtles, and is an important nesting ground for the endangered hawksbill turtle. Rose Atoll also provides sanctuary for the giant clam, whose population is severely depleted throughout the Pacific Ocean.

*Marianas Trench Marine National Monument*

The Marianas Trench Marine National Monument protects areas of biological, historical and scientific significance. The monument is home to many unusual life forms found in its boiling and highly acid waters, highly diverse and unique coral reef systems (more than 300 species of stony coral), and an astonishingly high population of apex predators such as sharks, an indicator of a healthy ecosystem. The monument also encompasses the Mariana Trench, the deepest ocean area on Earth, which is deeper than Mount Everest is tall.

MARINE NATIONAL MONUMENT MANAGEMENT

Through the FWS, the Department of the Interior is a co-trustee of Papahānaumokuākea Marine National Monument in partnership with the Department of Commerce, National Oceanic and Atmospheric Administration (NOAA), and the State of Hawaii. In the case of Marianas Trench, Pacific Remote Islands, and Rose Atoll Marine National Monuments, FWS NWRS has overall management responsibility, but works in partnership with NOAA on managing fishing in the outer waters of each monument.

MANAGEMENT NEEDS

Unfortunately many years after the establishment of these monuments, inadequate funds have left most monument management plans and fishing regulations unfinished and most islands remain essentially unmanaged and unmonitored. Without adequate funding to conserve, restore and protect our Nation's marine monuments, the marine monuments continue to be vulnerable to: illegal fishing, accidental ship groundings and oil spills, and introduction of invasive species. There have been several documented cases of both illegal foreign fishing and illegal trespass by commercial and recreational vessels. Additionally, millions of dollars have already been spent to remove invasive species to protect important seabird colonies.

The NWRS received approximately \$4.6 million for management of all four marine national monuments in fiscal year 2013. This is a decrease of \$1 million from fiscal year 2012 levels, severely decreasing science capabilities and visitor services. Cutting visitation to Papahānaumokuākea Marine National Monument closes the public's only window into these magnificent marine places.

Of the remaining \$4.6 million in fiscal year 2013, only 20 percent (\$0.9 million) of the NWRS monument funding provides resources for monument resource management, restoration, and research. The remaining \$3.7 million helps FAA maintain the airfield at Midway Atoll (northern end of Papahānaumokuākea Marine National Monument) for emergency commercial airplane stopovers transiting the Pacific Ocean. Without Midway, those aircraft would need to alter their routes, incurring additional flight time and fuel costs. Congress has mandated the airfield remain open which has caused strain on NWRS' science capabilities and visitation opportunities at Midway Atoll.

Additionally, a recent severe storm destroyed vital infrastructure at Tern Island located within Papahānaumokuākea Marine National Monument. Tern Island facilities provided critical space for Government employees and university researchers to conduct vital research and monitoring efforts on corals, seabirds, sea turtles, and marine mammals. However, these critical facilities for providing food storage, safe water, equipment storage and shelter were destroyed in the recent storm. FWS estimates the cost of repairs at \$5,000,000.

#### APPROPRIATIONS NEEDS

Marine Conservation Institute requests that the subcommittee increase funding for NWRS operations by \$1.8 million in 2014 to better manage our Nation's marine monuments. An additional \$1 million in 2014 directed toward Papahānaumokuākea Marine National Monument could help to reinstate visitation and science capabilities at Midway Atoll and begin to restore research capabilities at Tern Island.

Furthermore, an additional \$0.8 million would allow FWS to provide adequate management of the three newest monuments. Funding is needed to hire managers for Marianas and Pacific Remote Islands (a Rose Atoll Manager has been funded over the last several years); hire one public planner position to aid in management responsibilities; and pay for associated administrative costs such as office space and travel. Additional funds would help address invasive species that are hurting native wildlife populations, provide surveillance and enforcement capabilities and strengthen partnerships with the National Oceanic and Atmospheric Administration and U.S. Coast Guard.

Thank you for the opportunity to share our views.

#### PREPARED STATEMENT OF THE METLAKATLA INDIAN COMMUNITY

The requests of the Metlakatla Indian Community (Tribe) for the fiscal year 2014 budget are as follows:

- Exempt the Indian Health Service (IHS) from any future sequestration, as Congress has done for the Veterans Health Administration programs.
- Appropriate enough funds to allow IHS to fully fund all contract support costs (CSC). We estimate this would require \$617 million, which is \$140 million more than the administration's proposed level. We also ask that the subcommittee direct the IHS to immediately release the outstanding fiscal year 2011 and fiscal year 2012 CSC shortfall reports.
- Provide full funding for Bureau of Indian Affairs (BIA) CSC, at a level of \$242 million, \$12 million more than the President's proposal.
- Reject the administration's proposal to cap CSC on a contractor-by-contractor basis.

The Tribe's Annette Island Service Unit offers primary comprehensive outpatient healthcare services to Alaska Natives and American Indians living in Metlakatla, Alaska. The mission of the Annette Island Service Unit is to provide the highest quality health service for our people. We have a long-standing commitment to excellent healthcare and support for our patients, and we are proud to uphold a high standard of quality as we strive to address the health needs of our island population. We provide primary health services at our outpatient facility in Metlakatla through funding from the IHS as a co-signer to the Alaska Tribal Health Compact under the Indian Self-Determination and Education Assistance Act (ISDEAA).

*Sequestration.*—The Office of Management and Budget determined that the IHS's discretionary appropriation is fully sequestrable, which resulted in a \$220 million cut in funding to the IHS for fiscal year 2013—roughly 5 percent of the IHS's overall budget. IHS lost \$195 million for programs like hospitals and health clinics services, contract health services, dental services, mental health and alcohol and substance abuse. Impacts are also felt on programs and projects necessary for maintenance and improvement of health facilities. These negative effects are then passed down to every ISDEAA contractor, like the Tribe. The Tribe is already significantly underfunded, resulting in further cuts to the availability of health services we are able to provide to our patients, resulting in real consequences for individuals who have to forego needed care.

We suffer these reductions and experience these new challenges to providing healthcare for our people, despite the United States' trust responsibility for the health of Alaska Native and American Indian people. We fail to understand why this responsibility was taken less seriously than the Nation's promises to provide health to our veterans. The Veterans Health Administration (VA) was made fully exempt from the sequestration for all programs administered by the VA. See section 255 of the Balanced Budget and Emergency Deficit Control Act (BBEDCA), as

amended by Public Law 111–139 (2010). Also exempt are State Medicaid grants, and Medicare payments are held harmless except for a 2 percent reduction for administration of the program. We thus strongly urge the subcommittee to support an amendment to the BBEDCA to fully exempt the IHS from any future sequestration, just as the VA’s health programs are exempt.

CONTRACT SUPPORT COSTS (CSC) NEED FULL FUNDING

*Indian Health Service CSC Shortfalls.*—Congress’ additional appropriations for CSC are greatly appreciated, but the appropriated funds remain far below what is needed to fully fund all of the CSC owed to Tribes and tribal organizations under the Indian Self-Determination and Education Assistance Act and Federal case law. These ongoing shortfalls of CSC continue to impose significant hardships on the Tribe and its patients. We ask the committees to push for full funding of CSC so that the shortfalls can be eliminated. While it is difficult to estimate the full CSC need for fiscal year 2014—in part because the IHS refuses to release its CSC distribution data for the last 2 years, as discussed further below—projections from fiscal year 2010 have led us to estimate that the total need in fiscal year 2014 is \$617 million. This requires an appropriation of an additional \$146 million over the fiscal year 2012 enacted level.

We also ask the subcommittees to address the “caps” that Congress has for years placed in the IHS’s appropriations on the amount of CSC the IHS could pay for aggregate CSC. Section 106(a)(2) of the ISDEAA requires full payment of CSC, notwithstanding the appropriations “cap.” The effect of the “cap” does not limit what the IHS must pay individual Tribes and tribal organizations for CSC under their ISDEAA contracts and compacts. *Salazar v. Ramah Navajo Chapter*, 132 S. Ct. 2181 (2012). In the *Ramah* decision, the United States Supreme Court recognizes that the ISDEAA requires payment of full CSC to all contractors, yet in every year at issue Congress failed to appropriate enough for the agencies to do so.

In a misguided attempt to address these shortfalls, the administration proposes to limit CSC payments by submitting a list of contractors to the House and Senate Appropriations Committees, with recommended individual appropriations for each contractor. This proposed system is not only untenable and unwieldy; it is also unjust. The administration has proven itself incapable of properly accounting for contract support costs, and we have no indication the agencies will include contractors in this process to ensure the lists reflect contractors’ needs. The simplest and most fair answer is to fully fund tribal contractors’ CSC.

We urge the Congress to reject the President’s proposal outright, and fully fund IHS contract support costs at \$617 million.

*Bureau of Indian Affairs CSC Shortfalls.*—The President proposes \$230 million for Bureau of Indian Affairs contract support costs. This amount is closer to the estimated full need of \$242 million than the IHS proposal, but we ask that Congress fully fund the BIA’s CSC as well.

The President’s proposal to limit CSC funding via contractor-by-contractor caps applies to the BIA as well. Again, we strongly reject this effort, particularly because the administration has made no effort to include Tribes and tribal contractors in the process of preparing the proposed CSC tables. While the President’s proposal says this new effort is part of the “longstanding policy of managing CSC costs,” Tribes know that this means saddling contractors with chronic CSC shortfalls like the Tribe experiences year after year. These shortfalls are an effective penalty for engaging in self-determination or self-governance contracting. Both the annual underfunding and the administration’s misguided proposal for fiscal year 2014 are contrary to the stated policy of the Congress and the administration to encourage tribal self-determination.

We urge the subcommittee instead to fully fund the BIA contract support costs at \$242 million, which will erase the need for the administration’s contortionist proposal to handle CSC shortfalls.

*IHS Must Release CSC Shortfall Reports.*—The Tribe is concerned about the IHS’s failure to provide CSC shortfall reports to Congress for fiscal years 2011 and 2012. These shortfall reports are required to be submitted not later than May 15 of each year by section 106(c) of the Indian Self-Determination and Education Assistance Act (ISDEAA), 25 U.S.C. § 450j–1(c). While we understand that the IHS may sometimes need additional time to prepare the reports and review them through their own administrative processes, the Tribe nevertheless believes that the IHS must share the CSC distribution data as soon as possible.

The Tribe and other co-signers to the Alaska Tribal Health Compact recently asked the IHS to share the CSC distribution data for those years. Access to the CSC shortfall data, if not the reports themselves, is critical to our ability to understand

the IHS's view of the scope of underfunding and to pursue payment of 100 percent of the CSC to which the Tribe is legally entitled. The IHS has repeatedly refused to make the reports or data available, most recently in March of this year at a meeting with the IHS Area Lead Negotiator for the Alaska Area. We thus ask that the committees direct the IHS to immediately release the fiscal years 2011 and 2012 CSC shortfall reports—and all future reports—in a timely manner.

Thank you for your consideration of our requests to fully exempt IHS funds from any future budget sequestration, to eliminate the chronic underfunding of CSC for the BIA and IHS, protect Tribes from the administration's proposal to cap CSC payments, and to direct the IHS to release the CSC shortfall data from fiscal years 2011 and 2012. We will be glad to provide any additional information the subcommittee may request.

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PREPARED STATEMENT OF MISSISSIPPI STATE UNIVERSITY

As a catfish diagnostician and researcher for the Thad Cochran National Warmwater Aquaculture Center Aquatic Diagnostic Laboratory in Stoneville, Mississippi, I would like to express my concern regarding the proposed \$400,000/3 FTE budget reduction for the U.S. Fish and Wildlife Service (USFWS) Aquatic Animal Drug Approval Partnership (AADAP) program. This program is vitally important to the catfish and other fisheries programs in the United States. I strongly encourage you to consider the ramifications of this reduction, and fully support the AADAP program with \$1,790,000 in base funding and current FTEs. This figure represents the amount previously dedicated to the drug approval process in the Department of the Interior budget (2010 funding levels for AADAP and the U.S. Geological Survey [USGS budget since eliminated entirely]), adjusted to fiscal year 2014 dollars. Without this level of support, unduplicated and essential research activities cannot be completed, and fisheries professionals, especially the USFWS, will be unable to effectively deliver on their responsibilities to the American public.

We are facing difficult times in the U.S. catfish industry. Among our other problems, we are plagued by diseases for which we have no treatment. Mississippi State University has worked with AADAP in successfully gaining a recent drug approval for columnaris disease in catfish and is currently working with them on treatments for other bacterial and parasitic diseases. The AADAP program has been instrumental in working with many fisheries groups in coordinating studies for submission to the Food and Drug Administration (FDA) animal drug approval process. Unfortunately, because fish are a minor species, economic incentives are insufficient for drug sponsors to pursue aquatic animal drug approvals in the United States.

Recognizing difficult budgetary decisions must be made, I contend that the proposed cuts to the AADAP program would eliminate vital elements of a program that serves the USFWS, its partners, and fisheries and aquatic resources in essential and unduplicated ways. Without access to safe and effective drugs, it is unclear how fisheries professionals, especially USFWS staff, will be able to fulfill their mandates (e.g., rearing and stocking fish, collecting field data) without misusing the few currently approved drugs. The proposed cuts would effectively terminate the AADAP research program, and with it, the drug approval process for aquatic animals in the United States.

I am asking you please to fully support the AADAP program at a funding level of \$1,790,000 to ensure that the current and future needs of fisheries and fisheries professionals are met. Thank you for your consideration.

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PREPARED STATEMENT OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

The Metropolitan Water District of Southern California (Metropolitan) encourages the subcommittee's support for the U.S. Bureau of Land Management's (BLM) Soil, Water, and Air Program. This includes for fiscal year 2014, Federal funding of \$5.2 million for general water quality improvement efforts within the Colorado River Basin and, of that amount, specifically \$1.5 million for salinity specific projects to prevent further degradation of Colorado River water quality and increased downstream economic damages.

The concentrations of salts in the Colorado River cause approximately \$376 million in quantified damages in the lower Colorado River Basin States each year and significantly more in unquantified damages. Salinity concentrations of Colorado River water are lower than at the beginning of Program activities by more than 100 milligrams per liter (mg/L). Modeling by the U.S. Bureau of Reclamation (USBR) indicates that the quantifiable damages would rise to more than \$577 million annu-

ally by the year 2030 without continuation of the Colorado River Basin Salinity Control Program (Program).

Water imported via the Colorado River Aqueduct has the highest level of salinity of all of Metropolitan's sources of supply, averaging around 630 mg/L since 1976, which leads to economic damages. For example, damages occur from:

- A reduction in the yield of salt sensitive crops and increased water use for leaching in the agricultural sector;
- A reduction in the useful life of galvanized water pipe systems, water heaters, faucets, garbage disposals, clothes washers, and dishwashers, and increased use of bottled water and water softeners in the household sector;
- An increase in the cost of cooling operations, and the cost of water softening, and a decrease in equipment service life in the commercial sector;
- An increase in the use of water and the cost of water treatment, and an increase in sewer fees in the industrial sector;
- A decrease in the life of treatment facilities and pipelines in the utility sector;
- Difficulty in meeting wastewater discharge requirements to comply with National Pollutant Discharge Elimination System permit terms and conditions, and an increase in desalination and brine disposal costs due to accumulation of salts in groundwater basins, and fewer opportunities for recycling due to groundwater quality deterioration; and
- Increased cost of desalination and brine disposal for recycled water.

Concern over salinity levels in the Colorado River has existed for many years. To deal with the concern, the International Boundary and Water Commission signed Minute No. 242, Permanent and Definitive Solution to the International Problem of the Salinity of the Colorado River in 1973, and the President signed into law the Colorado River Basin Salinity Control Act in 1974 (act). High total dissolved solids in the Colorado River as it enters Mexico and the concerns of the seven Colorado River Basin States regarding the quality of Colorado River water in the United States drove these initial actions. To foster interstate cooperation and coordinate the Colorado River Basin States' efforts on salinity control, the seven Basin States formed the Colorado River Basin Salinity Control Forum.

The Program reduces salinity by preventing salts from dissolving and mixing with the river's flow. Irrigation improvements (sprinklers, gated pipe, lined ditches) and vegetation management reduce the amount of salt transported to the Colorado River. Point sources such as saline springs are also controlled. The Federal Government, Basin States, and contract participants spend more than \$40 million annually on salinity control programs.

The Program, as set forth in the act, benefits the Upper Colorado River Basin water users through more efficient water management, increased crop production, benefits to local economies through construction contracts and through environmental enhancements. The Program benefits the Lower Basin water users, hundreds of miles downstream from salt sources in the Upper Basin, through reduced salinity concentration of Colorado River water. California's Colorado River water users are presently suffering economic damages in the hundreds of millions of dollars per year due to the river's salinity.

The act provides that the Secretary of the Interior shall "develop a comprehensive program for minimizing salt contributions to the Colorado River from lands administered by the Bureau of Land Management." BLM is the largest landowner in the Colorado River Basin. Due to geological conditions, much of the lands that are controlled and managed by the BLM are heavily laden with salt. Past management practices have led to human-induced and accelerated erosion processes from which soil and rocks, heavily laden with salt have been deposited in various stream beds or flood plains. As a result, salts are dissolved into the Colorado River system causing water quality problems downstream.

Congress has charged Federal agencies, including the BLM, to proceed with programs to control the salinity of the Colorado River. BLM's rangeland improvement programs can lead to some of the most cost-effective salinity control measures available. These measures significantly complement programs and activities being considered for implementation by the U.S. Bureau of Reclamation through its Basin-wide Program and by the U.S. Department of Agriculture through its on-farm Environmental Quality Incentives Program.

Over the past years, the Colorado River Basin Salinity Control Program has proven to be a very cost-effective approach to help mitigate the impacts of increased salinity in the Colorado River. Continued Federal funding of this important Basin-wide program is essential.

Metropolitan urges the subcommittee to fund BLM's Soil, Water, and Air Program for fiscal year 2014 at \$5.2 million for general water quality improvement efforts in the Colorado River Basin. Metropolitan additionally urges you to specifically des-

ignate \$1.5 million of that amount for the Colorado River Basin Salinity Control Program.

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PREPARED STATEMENT OF THE NATIONAL ASSOCIATION OF ABANDONED MINE LAND PROGRAMS

My name is Todd Coffelt and I serve as the Chief of the Mines and Minerals Bureau within the Iowa Department of Agriculture and Land Stewardship. I am submitting this statement on behalf of the National Association of Abandoned Mine Land Programs (NAAML) for which I currently serve as President. The NAAML represents 31 States and tribes with federally approved abandoned mine land reclamation (AML) programs authorized under title IV of the Surface Mining Control and Reclamation Act (SMCRA). Title IV of SMCRA was amended in 2006 and significantly changed how State and tribal AML grants are funded. These grants are still based on receipts from a fee on coal production, but beginning in fiscal year 2008, the grants are funded primarily by mandatory appropriations. As a result, the States and tribes should receive \$340 million in fiscal year 2014. In its fiscal year 2014 budget, the Office of Surface Mining (OSM) is requesting \$273 million for State and tribal AML grants, a reduction of \$67 million. OSM's budget also includes three legislative proposals, the first of which would eliminate funding to States and tribes that have "certified" completion of their highest priority abandoned coal reclamation sites; the second of which would return the AML reclamation fee paid by coal operators to pre-2006 levels; and the third of which would establish a hardrock AML fee and accompanying program.

Over the past 30 years, the accomplishments of the States and tribes under the AML program have resulted in tens of thousands of acres of abandoned mine lands having been reclaimed, thousands of mine openings having been closed, and safeguards for people, property and the environment having been put in place. Be assured that States and tribes continue to be committed to address the unabated hazards at both coal and noncoal abandoned mines. We are united in achieving the goals and objectives as set forth by Congress when SMCRA was first enacted—including protecting public health and safety, enhancing the environment, providing employment, and adding to the economies of communities impacted by past coal and noncoal mining.

When passed in 1977, SMCRA set national regulatory and reclamation standards for coal mining. The act also established a Reclamation Trust Fund to work toward eliminating the innumerable health, safety and environmental problems that existed throughout the Nation from mines that were abandoned prior to the act. The Fund generates revenue through a fee on current coal production. This fee is collected by OSM and distributed to States and tribes that have federally approved regulatory and AML programs. The promise Congress made in 1977, and with every subsequent amendment to the act, was that, at a minimum, half the money generated from fees collected by OSM on coal mined within the boundaries of a State or tribe, referred to as "State Share," would be returned for the uses described in title IV of the act if the State or tribe assumed responsibility for regulating active coal mining operations pursuant to title V of SMCRA. The 2006 Amendments clarified the scope of what the State Share funds could be used for and reaffirmed the promise made by Congress in 1977.

If a State or tribe was successful in completing reclamation of abandoned coal mines and was able to "certify" under section 411 of SMCRA<sup>1</sup>, then the State Share funds could be used to address a myriad of other abandoned mine issues as authorized by SMCRA and as further defined under each State's or tribe's Abandoned Mine Reclamation Plan, each of which is approved by OSM. Like all abandoned mine reclamation, the work of certified States and tribes eliminates health and safety problems, cleans up the environment, and creates jobs in rural areas impacted by mining. In this regard, the certified States and tribes have been good stewards of the AML funds they receive, especially with regard to addressing dangerous non-coal mines.

The elimination of funding for certified State and tribal AML grants not only breaks the promise of State and Tribal Share funding, but upsets the balance and compromise that was achieved in the comprehensive restructuring of SMCRA ac-

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<sup>1</sup> While a certified State or tribe confirms at the time of certification that it has completed all of the coal sites on its current inventory, the certification contemplates that new, formerly unidentified high priority coal AML sites may occur in the future and the State/tribe commits to addressing these sites immediately. All AML States and tribes, including those that are certified, have identified additional previously unknown high priority coal sites as a result of ongoing field investigations, new information and features that have been expressed to the surface.

completed by the 2006 Amendments following more than 10 years of discussion and negotiation by all affected parties. The funding reduction is inconsistent with the administration's stated goals regarding jobs and environmental protection. We therefore respectively ask the subcommittee to support continued funding for certified States and tribes at the statutorily authorized levels, and turn back any efforts by OSM to amend SMCRA in this regard.<sup>2</sup>

In addition to the \$33 million reduction for certified States and tribes, the proposed fiscal year 2014 budget perpetuates the termination of Federal funding for the AML emergency program, leaving the States and tribes to rely on funds received through their non-emergency AML grant funds. This contradicts the 2006 amendments, which require the States and tribes to maintain "strict compliance" with the nonemergency funding priorities described in section 403(a), while leaving section 410, Emergency Powers, unchanged. Section 410 of SMCRA requires OSM to fund the emergency program using OSM's "discretionary share" under section (402)(g)(3)(B), which is entirely separate from State and tribal non-emergency AML grant funding under sections (402)(g)(1), (g)(2), and (g)(5). SMCRA does not provide for States and tribes to administer or fund an AML emergency program from their nonemergency AML grants, although, since 1989, 15 States have agreed to implement the emergency program on behalf of OSM contingent upon OSM providing full funding for the work. As a result, OSM has been able to fulfill their mandated obligation more cost effectively and efficiently.

Regardless of whether a State/tribe or OSM operates the emergency program, only OSM has the authority to "declare" the emergency and clear the way for the expedited procedures to be implemented. In fiscal year 2011, OSM issued guidance to the States that the agency "will no longer declare emergencies." OSM provided no legal or statutory support for its position. Instead, OSM has "transitioned" responsibility for emergencies to the States and tribes with the expectation that they will utilize nonemergency AML funding to address them. OSM will simply "assist the States and tribes with the projects, as needed." Of course, given that OSM has proposed to eliminate all funding for certified States and tribes, it begs the question of how and to what extent OSM will continue to assist these particular States and tribes when emergencies arise.

If Congress continues to allow the elimination of emergency program funding, States and tribes will have to adjust to their new role by setting aside a large portion of their non-emergency AML funds so that they can be prepared for any emergency that may arise. For minimum program States and States with small AML programs, large emergency projects will require the States to redirect all or most of their AML resources to address the emergency, thereby delaying other high-priority reclamation. With the loss of stable emergency program funding, minimum program States will have a difficult, if not impossible, time planning, budgeting, and addressing the abatement of their high priority AML problems. In a worst-case scenario, a minimum program State would not be able to address a costly emergency in a timely fashion, and would have to "save up" multiple years of funding before even initiating the work to abate the emergency, in the meantime ignoring all other high priority work.

It appears from our review of OSM's proposed budget that the agency has abandoned the idea (contained in its last three budget proposals) to revamp the method for allocating State grant funding based on a competitive grant process whereby States and tribes compete for funding based on the findings of an AML "Advisory Council." We are greatly encouraged by this development given its potential to completely upend what has been an effective protocol for distributing State grant moneys based on the priorities set forth by Congress in SMCRA. We are hopeful that this particular idea has been fully put to rest. As we have noted in the past, given the uncertainties and the negative implications for the accomplishment of AML work under title IV of SMCRA under the proposal, Congress should reject it as being counterproductive to the purposes of SMCRA and an inefficient use of funds.

On a somewhat related matter, there appears to be increasing concern by some in Washington that the States and tribes are not spending the increased AML grant moneys that they have received under the 2006 Amendments in a more expeditious manner, thus resulting in what the administration has characterized as unacceptable levels of "undelivered orders." What these figures and statements fail to reflect is the degree to which AML grant moneys are obligated or otherwise committed for AML reclamation work as part of the normal grant process. Most AML grants are either 3 or 5 years in length and over that course of time, the States and tribes

<sup>2</sup>In this regard, we should note that funding to certified States and tribes was already capped at \$15 million annually pursuant to an amendment to SMCRA adopted last year as part of the Moving Ahead for Progress in the 21st Century Act (Public Law 112-14).



are in a continual process of planning, bidding and contracting for specific AML projects. Some projects are multi-layered and require extended periods of time to complete this process before a shovel is turned at the AML site. And where Federal funding is concerned, additional time is necessary to complete the myriad statutory approvals in order for AML work to begin, including compliance with the National Environmental Policy Act and the National Historic Preservation Act.

In almost every case, however, based on the extensive planning that the States and tribes undertake, AML grant funds are committed to specific projects even while clearances and bidding are underway. While funds may not technically be “obligated” because they are not yet “drawn down,” these funds are committed for specific purposes. Once committed, States and tribes consider this grant money to be obligated to the respective project, even though the “order” has not been “delivered” and the funds actually “drawn down.” The latter can only occur once the project is completed, which will often be several years later, depending on the size and complexity of the project.<sup>3</sup> We would be happy to provide the subcommittee with more detailed information about our grant expenditures and project planning in order to answer any questions you may have about how we account for and spend our AML grant moneys. Given the confusion that often attends the various terms used to describe the grant expenditure process, we believe it is critical that Congress hear directly from the States and tribes on this matter and not rely solely on the administration’s statements and analyses. We welcome the opportunity to brief your subcommittee in more detail regarding this issue should you so desire.

One of the more effective mechanisms for accomplishing AML restoration work is through leveraging or matching other grant programs, such as EPA’s 319 program. Until fiscal year 2009, language was always included in OSM’s appropriation that encouraged the use of these types of matching funds, particularly for the purpose of environmental restoration related to treatment or abatement of acid mine drainage (AMD) from abandoned mines. This is an ongoing, and often expensive, problem, especially in Appalachia. NAAMLPP therefore requests the subcommittee to support the inclusion of language in the fiscal year 2014 appropriations bill that would allow the use of AML funds for any non-Federal cost-share required by the Federal Government for AMD abatement.

We also urge the subcommittee to support funding for OSM’s training program and TIPS, including moneys for State/tribal travel. These programs are central to the effective implementation of State and tribal AML programs as they provide necessary training and continuing education for State/tribal agency personnel, as well as critical technical assistance. These programs saw drastic cuts as a result of sequestration and we are hopeful that Congress will restore the necessary funding for these critical programs in the fiscal year 2014 appropriation. Finally, we support funding for the Watershed Cooperative Agreements in the amount of \$1.2 million because it facilitates and enhances State and local partnerships by providing direct financial assistance to watershed organizations for acid mine drainage remediation.

Thank you for the opportunity to submit this statement regarding OSM’s proposed budget for fiscal year 2014. We would be happy to answer any questions you may have or provide additional information.

#### ATTACHMENT

#### QUESTIONS AND CONCERNS RE THE AML LEGISLATIVE PROPOSAL IN OSM’S FISCAL YEAR 2014 BUDGET

##### *Proposed Elimination of Funding for AML Emergencies*

While amendments to title IV of SMCRA in 2006 (Public Law 109–432) adjusted several provisions of the act, no changes were made to OSM’s emergency powers in section 410. Quite to the contrary, section 402(g)(1)(D)(2) states that the Secretary shall ensure “strict compliance” with regard to the States’ and tribes’ use of non-emergency grant funds for the priorities listed in section 403(a), none of which include emergencies. The funding for the emergency program comes from the Secretary’s discretionary share, pursuant to section 402(g)(3) of the act. This share currently stands at around \$416 million. OSM’s elimination of funding for the emer-

<sup>3</sup> Simply defined, the measure used by OSM as an “undelivered order” is all AML funding that has been awarded but not yet “drawn down” from the U.S. Treasury. Given that all grants are on a reimbursement basis, the funds cannot be drawn down until the bills are paid. 30 CFR sec. 700.5 provides the definition of “expended.” There is an obvious disconnect between OSM’s reporting of “undelivered orders” and the definition of “expended.” A fairer measure of the obligation of Federal grant moneys would be to examine them at the end of the grant period (3 or 5 years from award) and also take into account active and ongoing construction contracts where money has been encumbered but not yet paid out pending completion of the project work.

agency program will result in the shift of approximately \$20 million annually that will have to be absorbed by the States. This is money that cannot be spent on high priority AML work (as required by SMCRA) and will require the realignment of State AML program operations in terms of personnel, project design and development, and construction capabilities. In most cases, depending on the nature and extent of an emergency project, it could preclude a State's ability to undertake any other AML work during the grant year (and even following years), especially for minimum program States. How does OSM envision States and tribes being able to meet their statutory responsibility to address high priority AML sites in light of the elimination of Federal funding for AML emergencies? How does OSM reconcile this proposal with the intentions of Congress expressed in the 2006 amendments to move more money out of the AML Fund sooner to address the backlog of AML problems that continue to linger?

*Proposed Elimination of Funding to Certified States and Tribes*

From what we can ascertain, OSM proposes to eliminate all payments to certified States and tribes—in lieu of funds; prior balance replacement funds; and monies that are due and owing in fiscal year 2018 and 2019 from the phase-in during fiscal years 2008 and 2009. Is this accurate? OSM says nothing of what the impact will be on non-certified States as a result of eliminating these payments to certified States and tribes—especially the equivalent payments that would otherwise be made to the historic production share that directly relate to “in lieu of” payments to certified States and tribes under section 411(h)(4). Previously, OSM has stated that “the amounts that would have been allocated to certified States and tribes under section 402(g)(1) of SMCRA will be transferred to the historical production allocation on an annual basis to the extent that those States and tribes receive in lieu payments from the Treasury (through the Secretary of the Interior) under section 402(i) and 411(h)(2) of SMCRA.” By OSM's own admission in its fiscal year 2013 proposed budget, this will amount to \$1.2 billion over 10 years. If the in lieu payments are not made (as proposed), how can the transfer to historic production occur? The result, of course, would be a drastic impact on the historic production allocation otherwise available to uncertified States. Will OSM address this matter in its proposed legislation? If so, how?

Has OSM considered the fiscal and programmatic impacts that could result if the certified States and tribes, who no longer receive AML monies, choose to return their title V regulatory programs to OSM (especially given the severe reductions being proposed for fiscal year 2013 in title V grants)?

Finally, how do the cuts in the title IV program line up with the administration's other economic, fiscal and environmental objectives as articulated in the deficit reduction and jobs bills that have been considered by Congress? These objectives include environmental stewardship, cleaning up abandoned mines (coal and noncoal) nationwide, creating green jobs, pumping dollars into local communities, putting money to work on the ground in an expeditious manner, sustainable development, infrastructure improvements, alternative energy projects, protecting public health and safety, and improving the environment. It seems to us that there is a serious disconnect here and we remain mystified as to how these laudable objectives and OSM's budget proposal can be reconciled.

*Proposed Hardrock AML Fee and Related Program*

The States and tribes have advocated for legislation that would allow us to address historic hardrock AML problem areas, beginning with the inclusion of section 409 of SMCRA in 1977, to the most recent legislation (passed by the Senate and the House Resources Committee in the last session of Congress, i.e. S. 897) that would allow uncertified States and tribes to use prior balance replacement funds to address noncoal AML projects. There is clearly a need to establish both the funding mechanism and the administrative program to address these legacy sites. We believe that OSM is in the best position to administer this program, given its 35 years of experience in operating the title IV program under SMCRA. Our only concern is that, while on the one hand OSM is advocating for the establishment of a hardrock AML program, it is also pushing for the elimination of funding for certified States and tribes to accomplish this very work. Granted, OSM's position is based on its belief that SMCRA funding should be restricted to high priority coal problems only. However, Congress clearly felt differently from the outset of SMCRA's formation and, while there have been many recent opportunities to adjust its views and amend SMCRA accordingly, Congress has chosen not to do so. To the contrary, Congress has adopted legislation that would clarify the use of SMCRA AML funds to address noncoal problems. Nonetheless, we would welcome an opportunity to work closely

with OSM in examining the potential for a hardrock AML program, wherever it may reside and however it may be constituted.

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PREPARED STATEMENT OF THE NATIONAL ASSOCIATION OF CLEAN AIR AGENCIES

On behalf of the National Association of Clean Air Agencies (NACAA), thank you for this opportunity to testify on the fiscal year 2014 proposed budget for the United States Environmental Protection Agency (EPA). NACAA supports the President's request for a \$21.5 million increase (over the fiscal year 2012 enacted budget) in Federal grants for State and local air pollution control agencies under sections 103 and 105 of the Clean Air Act, under the State and Tribal Assistance Grant (STAG) account (for a total of \$257.2 million). Additionally, NACAA supports retaining funding for fine particulate matter (PM<sub>2.5</sub>) monitoring under section 103 authority, rather than shifting it to section 105 authority.

NACAA is a national, nonpartisan, nonprofit association of air pollution control agencies in 43 States, the District of Columbia, 4 territories and more than 116 metropolitan areas. The members of NACAA have the primary responsibility under the Clean Air Act for implementing the Nation's clean air program. The air quality professionals in our member agencies have vast experience dedicated to improving air quality in the United States. The comments we offer are based upon that experience. The views expressed in this testimony do not represent the positions of every State and local air pollution control agency in the country.

STATE AND LOCAL AIR QUALITY PROGRAMS FACE SIGNIFICANT FUNDING DEFICITS

State and local air pollution control agencies have been facing significant funding deficits for many years, with adverse impacts on their ability to implement the federally mandated core elements of the clean air program. A study NACAA conducted several years ago showed that there is an annual shortfall of \$550 million in Federal grants for State and local air programs.<sup>1</sup> While the resource needs for these vitally important State and local programs are substantial and the proposed increase would not eliminate the deficit, we understand that full funding in the current economic climate is unlikely. We appreciate the administration's recognition of the importance of clean air and we believe the proposed increase is essential for our efforts to obtain and maintain healthful air quality.

State and local air agencies do more than their fair share to provide resources for their air quality efforts. Section 105 of the Clean Air Act authorizes the Federal Government to provide grants for up to 60 percent of the cost of State and local air programs, while State and local agencies are required to provide a 40 percent match. However, the reality is that State and local air quality programs, on average, supply 77 percent of their budgets (not counting permit fees under the Federal title V program), while Federal grants total only 23 percent.

To make matters worse, the grants these agencies receive have decreased in purchasing power over recent years due to inflation. For example, between fiscal year 2000 and fiscal year 2011, the purchasing power of Federal grants decreased by 9 percent. This decline, along with unrelenting and increasing responsibilities, has made it difficult for many States and localities to keep their essential air quality programs operating.

Many agencies have reported reductions in and/or elimination of programs, as well as diminishing staff levels. According to a recent survey that the Environmental Council of the States (ECOS) conducted, 37 States reported that 2,112 environmental agency positions have been eliminated or held vacant due to budget limitations in fiscal year 2010.<sup>2</sup> State and local agencies find it difficult to operate in the midst of these types of staffing woes, as it is hard to recover from the loss of trained and valuable staff.

The impacts of program reductions due to economic conditions are significant. Many NACAA agencies report worrisome program contractions, including reductions and/or elimination of activities related to the following: monitoring, including curtailment of monitoring and/or analysis activities or even closing down of monitoring sites; permitting for major and minor sources, resulting in delay and backlogs in permit issuance and reduced permitting assistance to sources; inspections of

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<sup>1</sup>*Investing in Clean Air and Public Health: A Needs Survey of State and Local Air Pollution Control Agencies* (April 2009), NACAA, <http://www.4cleanair.org/Documents/Reportneedsurvey042709.pdf>.

<sup>2</sup>*ECOS Green Report—Impacts of Reductions in Fiscal Year 2010 on State Environmental Agency Budgets* (March 2010), Environmental Council of the States, [http://ecos.org/files/4011\\_file\\_March\\_2010\\_ECOS\\_Green\\_Report.pdf](http://ecos.org/files/4011_file_March_2010_ECOS_Green_Report.pdf).

sources, including for compliance purposes; air toxics programs, including implementing Federal air toxics standards and taking delegation of Federal area source standards; public education and outreach; emissions inventory work; training; data analysis; citizen-complaint response; rulemaking; development of State Implementation Plans (SIPs); and motor vehicle-related programs.<sup>3</sup> In an era in which the public expects immediate information and rapid responses to their concerns, this loss of capacity is even more of a challenge.

It is important to remember that well-funded and well-operated air quality agencies can serve their communities better through more efficient permitting and compliance assistance, among other things. Considering those benefits, as well as the fact that the public's health and welfare are at risk, it does not make sense to underfund these critical programs. However, since the economy has been slow to recover, air agencies will continue to make painful decisions, such as reducing or cutting air programs that protect public health. During these hard economic times, Federal grants are more essential than ever.

We fully understand that Congress must allocate ever-scarcer resources among many commendable programs. However, it is worth noting that improvements in air quality are very cost effective and beneficial to our economy. More healthful air quality results in lower healthcare costs and a more productive workforce. An EPA analysis has shown that the benefits of the Clean Air Act since 1990 have exceeded the costs by more than 30 to 1.<sup>4</sup> This is a return on an investment the likes of which few programs can claim.

#### THE INCREASES WILL SUPPORT ESSENTIAL PROGRAMS

As stated earlier, the administration has requested a \$21.5 million increase (more than the fiscal year 2012 enacted budget) in Federal grants for State and local air pollution control agencies, for a total of \$257.2 million. These additional funds can be put to good use to support our core programs—which are the foundation of the air program and include day-to-day responsibilities—and monitoring, among other things. The list of activities for which State and local agencies need Federal funding is extremely long, but here are just a few of the things these agencies must do in fiscal year 2014 that the administration's proposed funding level would support:

- develop State strategies (i.e., SIPs) to implement the health-based National Ambient Air Quality Standards (NAAQS), which will include complex modeling, development of emission inventories and public involvement;
- make recommendations for area designations and develop supporting documentation for the fine particle (PM<sub>2.5</sub>) NAAQS issued in 2012;
- implement the 8-hour ozone and lead NAAQS that were issued in 2008;
- implement the 1-hour nitrogen dioxide (NO<sub>2</sub>) NAAQS and the 1-hour sulfur dioxide (SO<sub>2</sub>) NAAQS from 2010;
- continue the implementation of previous PM<sub>2.5</sub> and ozone NAAQS;
- continue implementation of permitting requirements for greenhouse gases, sulfur dioxide, NO<sub>2</sub> and PM<sub>2.5</sub>;
- implement changes to PM<sub>2.5</sub> monitoring requirements related to recent revisions to the particulate matter NAAQS;
- continue operation of multi-pollutant monitoring site networks;
- deploy near-road NO<sub>2</sub> monitoring stations, some of which will include carbon monoxide monitoring;
- implement and enforce EPA regulations to address hazardous air pollutants (HAPs), including Maximum Achievable Control Technology (MACT) standards and area source programs; and
- monitor, collect and analyze emissions data related to HAPs.

#### MONITORING FUNDS SHOULD REMAIN UNDER SECTION 103

The President's budget request includes a provision whereby PM<sub>2.5</sub> monitoring funds would begin to be shifted, over a 4-year period, from Clean Air Act section 103 authority, where matching funds are not needed, to section 105, which would require additional matching funds. While we appreciate that the budget request would retain level Federal funding for PM<sub>2.5</sub> monitoring, we request that these funds remain under section 103 authority, as they have in the past, rather than being shifted to section 105 authority. For any State or local agencies with concerns

<sup>3</sup>NACAA Letter to Leadership of Senate Appropriations Subcommittee on Interior, Environment, and Related Agencies (June 28, 2011), <http://www.4cleanair.org/Documents/NACAAlettertoSenatewithstaffstudy2011.pdf>.

<sup>4</sup>*The Benefits and Costs of the Clean Air Act Amendments from 1990 to 2020* (March 1, 2011), EPA, <http://www.epa.gov/air/sect812/feb11/summaryreport.pdf>.

about the matching requirements, this will ensure that they can continue receiving these critical monitoring funds.

#### WHY ARE CLEAN AIR PROGRAMS SO IMPORTANT?

We have discussed the funding shortfalls that exist and how State and local programs are in need of additional resources. But why is it so important that these public health programs be adequately funded? It is because air pollution causes tens of thousands of premature deaths every year and results in many more people suffering serious health problems. These include the aggravation of respiratory and cardiovascular diseases; damage to lung tissue, irregular heartbeat, heart attacks, difficulty breathing; increased susceptibility to respiratory infections; adverse effects on learning, memory, IQ, and behavior; and cancer. Air pollution also harms vegetation and land and water systems, impairs visibility and causes other adverse impacts.

This is indeed a public health crisis, with the widespread adverse effects spanning the United States, affecting millions of people. EPA estimates that 124 million people in the country lived in areas that violated at least one of the health-based NAAQS in 2010.<sup>5</sup> EPA's most recent data on toxic air pollution showed that everyone in the United States had an increased cancer risk of more than 10 in 1 million (1 in 1 million is generally considered "acceptable").<sup>6</sup>

What is notable is that some of these deaths and adverse health impacts are preventable through programs designed to reduce air pollution. That is why it is so critical that State and local air quality programs, the implementers of the Federal Clean Air Act, be adequately funded to carry out their mission.

#### CONCLUSION

Increases in Federal grants for State and local air pollution control agencies are essential if they are to continue their core activities and address some of the new requirements mandated by Federal law and regulation. While the need for Federal grants far exceeds the proposed amount, State and local agencies appreciate any increase provided and would put the additional funds to excellent use.

NACAA supports the fiscal year 2014 budget request for Federal grants to State and local air quality agencies under sections 103 and 105 of the Clean Air Act, which is \$257.2 million (\$21.5 million more than the fiscal year 2012 enacted budget). Also, NACAA supports retaining funding for PM<sub>2.5</sub> monitoring under section 103 authority, rather than shifting it to section 105 authority.

Thank you for this opportunity to testify and for considering the efforts of State and local air quality programs as they improve and protect public health.

#### PREPARED STATEMENT OF THE NATIONAL CONGRESS OF AMERICAN INDIANS

*Introduction.*—On behalf of the National Congress of American Indians (NCAI), we would like to submit outside witness testimony on the budgets for the Bureau of Indian Affairs, Indian Health Service, and Environmental Protection Agency. NCAI is the oldest and largest American Indian organization in the United States. Tribal leaders created NCAI in 1944 as a response to termination and assimilation policies that threatened the existence of American Indian and Alaska Native tribes. Since then, NCAI has fought to preserve the treaty rights and sovereign status of tribal governments, while also ensuring that Native people may fully participate in the political system. As the most representative organization of American Indian tribes, NCAI serves the broad interests of tribal governments across the Nation. As Congress debates elements of various budget proposals for fiscal year 2014 and beyond, leaders of tribal nations call on decisionmakers to ensure that the promises made to Indian Country are honored in the Federal budget.

#### SEQUESTER

Although we are submitting testimony on fiscal year 2014, we must comment on the fiscal year 2013 sequestration of discretionary programs. NCAI passed a unanimous resolution that trust and treaty obligations to tribes should not be subject to sequestration. Although the United States, businesses, and workers hoped that an economic recovery was finally taking off, the Nation will begin absorbing automatic

<sup>5</sup>*Our Nation's Air: Status and Trends Through 2010* (February 2012), EPA, [www.epa.gov/airtrends/2011/](http://www.epa.gov/airtrends/2011/).

<sup>6</sup>National Air Toxics Assessment for 2005—Fact Sheet, [www.epa.gov/ttn/atw/nata2005/05pdf/sum\\_results.pdf](http://www.epa.gov/ttn/atw/nata2005/05pdf/sum_results.pdf).

spending cuts known as sequestration in the next few months, creating an economic drag. The sequester cuts pose particular hardship for Indian Country and the surrounding communities who rely on tribes as employers, where the recession struck especially hard.<sup>1</sup> Tribal leaders urge Congress to protect the Federal funding that fulfills the trust responsibility to tribes in the face of difficult choices. The sequester reductions to tribal programs undermine Indian treaty rights and obligations—treaties which were ratified under the Constitution and considered the “supreme law of the land.” At its most basic level, the economic success of the United States is built upon the land and natural resources that originally belonged to tribal nations. In exchange for land, the United States agreed to protect tribal treaty rights, lands, and resources, including provision of certain services for American Indian and Alaska Native tribes and villages, which is known as the Federal Indian trust responsibility. Indiscriminate cuts sacrifice not only the trust obligations, but they thwart tribes’ ability to promote economic growth or plan for the future of Native children and coming generations.

The fiscal year 2013 sequester and potential reductions due to the Budget Control Act caps will hurt law enforcement, education, health care and other tribal services, which have been historically underfunded and have failed to meet the needs of tribal citizens.

#### FEDERAL CUTS DISPROPORTIONATELY IMPACT INDIAN COUNTRY

In their role as governments, tribes deliver all the range of services that other governments provide. Tribal governments maintain the power to determine their own governance structures and enforce laws through police departments and tribal courts. Tribes provide social programs, first-responder services, education, workforce development, and natural resource management. They also build and maintain a variety of infrastructure, including roads, bridges, housing, and public buildings. Yet, tribes need adequate resources to exercise their self-determination and serve as effective governments. Government funds provide much-needed investments in tribal physical, human, and environmental capital.

For many tribes, a majority of tribal governmental services is financed by Federal sources. Tribes lack the tax base and lack parity in tax authority to raise revenue to deliver services. If Federal funding is reduced sharply for State and local governments, they may choose between increasing their own taxes and spending for basic services or allowing their services and programs to take the financial hit. On the other hand, many tribes have limited ability to raise substantial new revenue, especially not rapidly enough to cover the reduction in services from the across the board reductions of the fiscal year 2013 sequestration. States and localities finance their own areas of spending and State and local taxes provide the majority of the funding for most of their services. The Census Bureau shows that half of State and local government revenue is from their own taxes, while a quarter is Federal.<sup>2</sup>

On the other hand, up to 60 and 80 percent of the revenue for tribal governmental services comes from Federal sources. Although some tribes have implemented strategies that enhance economic development for their communities to supplement Federal sources, that does not supplant the Federal Government’s duty to fulfill its trust responsibility.<sup>3</sup>

With those tribal revenue constraints provided for context, this testimony will address recommendations for some of the critical tribal programs in the Interior, Environment, and Related Agencies Subcommittee jurisdiction. NCAI has previously submitted fiscal year 2014 testimony on funding for the Indian Health Service and the Bureau of Indian Education. NCAI also supports the recommendations of the National Indian Health Board, National Indian Child Welfare Association, and National Indian Education Association. A separately submitted written testimony from NCAI addresses recommendations for the Bureau of Indian Education funded in the Interior, Environment, and Related Agencies appropriations bill.

#### BUREAU OF INDIAN AFFAIRS IN CONTEXT

NCAI appreciates recent support for tribal programs over recent years, especially for the Indian Health Service and law enforcement. However, we must mention that

<sup>1</sup>Economic Policy Institute. (November 18, 2010). *Different race, Different recession: American Indian Unemployment in 2010*. Washington, DC: Author.

<sup>2</sup>U.S. Census Bureau, *State and Local Government Finances Summary: 2010*, September 2012.

<sup>3</sup>National Congress of American Indians (April 2013). *A Call to Honor the Promises to Tribal Nations in the Federal Budget*. Washington, DC: Author ([http://www.ncai.org/resources/policy\\_papers/honor-the-promises-the-tribal-nations-in-the-federal-budget](http://www.ncai.org/resources/policy_papers/honor-the-promises-the-tribal-nations-in-the-federal-budget)).

comparing budget increases for the six largest Interior agencies between fiscal year 2004 enacted to fiscal year 2014 Presidents' request shows that BIA has received the smallest percentage increase.

BUDGET INCREASES FOR THE SIX LARGEST INTERIOR AGENCIES FISCAL YEAR 2004 TO FISCAL YEAR 2014

[Dollars in millions]

	Fiscal year 2004 enacted	Fiscal year 2014 request	Fiscal year 2004–2014 (percentage increase)
USGS .....	\$938.8	\$1,167.0	24.3
FWS .....	1,303.4	1,552.0	19.1
NPS .....	2,258.6	2,636.0	16.7
BLM .....	999.8	1,162.0	16.2
BOR .....	942.9	1,050.0	11.4
BIA .....	2,305.8	2,563.0	11.2

The increase for BIA from the fiscal year 2004 enacted level to the fiscal year 2014 President's requested level is about 11 percent, the smallest percent increase compared to the six largest Interior agencies.

CHANGES PROPOSED TO CONTRACT SUPPORT COSTS

NCAI opposes the administration's unilateral proposal, in its fiscal year 2014 budget request, to fundamentally alter the nature of tribal self-governance by implementing individual statutory tribal caps on the payment of contract support costs. Contract support cost funding is essential to the operation of contracted Federal programs administered under federally issued indirect cost rate agreements. No change of such a fundamental character should be implemented until there has been a thorough consultation and study process jointly undertaken by the Indian Health Service (IHS), the Bureau of Indian Affairs (BIA), and tribal leaders, informed by a joint technical working group and coordinated through NCAI. Such a consultation process must be scheduled to permit opportunity for full tribal participation. While NCAI believes that overall statutory caps on contract support costs should be eliminated, at the very least Congress should maintain in fiscal year 2014 and fiscal year 2015 the status quo statutory language enacted in fiscal year 2013 so that tribally developed changes in contract support cost funding mechanisms, if any, can be included in the fiscal year 2016 budget.

SPECIFIC RECOMMENDATIONS FOR INDIAN AFFAIRS

The President's budget eliminates the Housing Improvement Program (HIP) budget. NCAI opposes HIP's elimination because the program serves the neediest of the needy in Indian Country and losing the program altogether would be difficult for tribes to absorb or cover in other ways. Language to provide a no-cost economic development and jobs creation solution for restoring land to tribal governments impacted by the *Carcieri* Supreme Court decision is included in the Department of the Interior general provisions of the President's budget.

*Natural Resources and Trust Lands.*—Federal investment in tribal natural resources management helps to sustain tribal land and people, grow economies, and support continued prosperity. Many of the BIA Trust natural resources programs discussed in this section experienced substantial cuts over the past decade. Further reductions in fiscal year 2013 under the Budget Control Act of 2011 would eliminate jobs, stymie economic activity at a critical time for tribes, and curtail combined tribal, Federal, State, and community collaboration as well as the valuable perspective in natural resource management that tribes contribute to the national natural resources and the economy.

One of the largest increases in the proposed fiscal year 2014 BIA budget is for sustainable tribal stewardship and development of natural resources. The proposed budget includes increases of \$32.4 million for this initiative. The funding is proposed for resource management and decisionmaking in the areas of energy and minerals, climate, oceans, water, rights protection, endangered and invasive species, resource protection enforcement, and post-graduate fellowship and training opportunities in science-related fields. \$2.5 million of this funding will focus on projects engaging youth in the natural sciences and will establish an office to coordinate youth programs across Indian Affairs. Programmatic changes in Trust Natural Resources include increases of \$9.8 million to cooperative landscape conservation, \$7.7 million to Rights Protection Implementation, \$5.1 million to Forestry, \$3 million to Fish,

Wildlife and Parks, and \$2 million to Tribal Management and Development. NCAI supports such increases, but the increases are below the recommended levels for various natural resources programs at BIA included in the fiscal year 2014 Indian Country budget request. Expanded tribal justification on each program is also available in the fiscal year 2014 tribal budget request.<sup>4</sup>

*BIA Office of Justice Services.*—The President’s budget includes a \$19 million increase for BIA public safety and justice. These increases will provide \$5.5 million to hire additional tribal and bureau law enforcement staff and \$13.4 million to staff recently constructed tribally operated detention centers. An increase of \$1 million is for tribal courts, which are expected to see an increase in caseloads. \$3 million is to meet the needs of tribal communities with elevated levels of domestic violence. NCAI welcomes these increases, but notes that a \$1 million increase for tribal courts is far below the amount needed. It is well documented by entities such as the U.S. Commission on Civil Rights and the American Bar Association that tribal courts have been historically underfunded by the Federal Government and that this underfunding negatively impacts their law enforcement operations. Although there have been Federal grants issued—particularly through the U.S. Department of Justice (DOJ)—to address discrete justice and safety concerns, those grants are time-limited and do not support the ongoing and daily operating needs of tribal courts. Enacted in 1993, the Indian Tribal Justice Act authorized an additional \$50 million per year for each of 7 years for tribal court base funding. Despite numerous congressional reauthorizations of the act over the past couple of decades—most recently through fiscal year 2015 in TLOA—not a single penny has been appropriated. The promise of this much-needed base funding must finally be fulfilled.

#### INDIAN HEALTH SERVICE

NCAI urges Congress to uphold the Federal trust responsibility by protecting the IHS budget and developing a long-term plan to fully fund the IHS, including an advanced appropriations scheme. These recommendations parallel the National Indian Health Board’s testimony—which NCAI supports—and are high priorities of tribal governments and tribal leaders.

#### ENVIRONMENTAL PROTECTION AGENCY

*Tribal General Assistance Program (GAP).*—The President requested an increase of approximately \$5 million more than fiscal year 2012 appropriations to \$72.6 million for the Tribal General Assistance Program. Program capacity building is a top environmental priority identified by tribes as part of the EPA National Tribal Operations Committee National Tribal Caucus. Expanded justification on tribal EPA programs can be found in the NCAI fiscal year 2014 tribal budget request.<sup>5</sup>

#### CONCLUSION

Thank you for your consideration of this testimony.

#### PREPARED STATEMENT OF THE NATIONAL CONGRESS OF AMERICAN INDIANS

The National Congress of American Indians (NCAI) is the oldest and largest American Indian organization in the United States. Tribal leaders created NCAI in 1944 as a response to termination and assimilation policies that threatened the existence of American Indian and Alaska Native tribes. Since then, NCAI has fought to preserve the treaty rights and sovereign status of tribal governments, while also ensuring that Native people may fully participate in the political system. As the most representative organization of American Indian tribes, NCAI serves the broad interests of tribal governments across the Nation.

Providing Native students with an excellent education is a top priority for tribal nations. President Obama has repeatedly stressed that improving American education is an “economic imperative.” For tribes, the stakes are just as high, if not higher. Education not only provides tribal economies with a more highly skilled workforce, but also directly spurs economic development and job creation. The profound value of education for Native nations extends beyond just economics, however. Education drives personal advancement and wellness, which in turn improve social

<sup>4</sup>National Congress of American Indians. (January 2013). Fiscal year 2014 Indian Country budget request: Supporting tribal economic security and prosperity. Washington, DC: Author. ([http://www.ncai.org/resources/policy\\_papers/fy2014-indian-country-budget-request](http://www.ncai.org/resources/policy_papers/fy2014-indian-country-budget-request)).

<sup>5</sup>Ibid.



welfare and empower communities—elements that are essential to maintaining tribes' cultural vitality and to protecting and advancing tribal sovereignty.

Despite the enormous potential of education for transforming Native communities, Native education is in a state of emergency. American Indian and Alaska Native students lag far behind their peers on every educational indicator, from academic achievement to high school and college graduation rates.<sup>1</sup> The situation is even more dire in BIE schools, where during the 2010–2011 school year, the graduation rate stood at 59 percent and barely one-third of students performed at proficient/advanced levels in both language arts and math.<sup>2</sup>

To address this urgent situation and provide tribal nations with the critical foundation for economic success, the Federal Government must live up to its trust responsibility by providing adequate support for Native education. The requests below detail the minimum appropriations needed to maintain a system that is struggling and underfunded.

#### INDIAN COUNTRY'S CONCERNS WITH THE FISCAL YEAR 2014 PRESIDENT'S BUDGET

Indian Country opposes two significant changes to the Bureau of Indian Education (BIE) outlined in the President's fiscal year 2014 budget request. The first change proposes to decrease the Indian School Equalization Formula (ISEF) by \$16.5 million in order to pay for a new pilot program based on the Department of Education's turnaround schools model. ISEF provides basic support for BIE schools and is already underfunded. The Department of Education's turnaround schools model has had little to no success in public schools serving Native students on Indian lands because it largely depends on replacing staff, which are hard to come by in isolated rural areas. There is no reason to think that this model would be any more successful in BIE schools because they face almost all of the same personnel and other challenges as their public school counterparts. Congress should not decrease funding for a program that covers basic operating costs for BIE schools in order to support a model that has generally failed to increase Native student achievement in similar circumstances.

Tribes also oppose the defunding of BIE school replacement and replacement facility construction in the President's fiscal year 2014 budget. NCAI urges Congress to restore funding for this program. The fiscal year 2013 continuing resolution increased Department of Defense school replacement by \$30 million above fiscal year 2012 levels, while zeroing out funds for new BIE school construction. Such a disparity between the Nation's two federally funded school systems is patently unfair, and dilapidated BIE schools deserve just as much attention. Providing safe and secure schools for Native students is a matter of basic equity and a fundamental element of the Federal Government's trust responsibility to tribes.

#### NCAI INDIAN COUNTRY FUNDING REQUESTS FOR THE FISCAL YEAR 2014 INTERIOR, ENVIRONMENT, AND RELATED AGENCIES APPROPRIATIONS BILL

##### *Tribal Education Departments*

Provide \$5 million to fund Tribal Education Departments.

Five million dollars should be appropriated to the Department of the Interior to support tribal education departments (TEDs). This funding assists TEDs, which are uniquely situated at the local level to implement innovative education programs that improve Native education. Because they are administered by tribes, TEDs are best equipped to deliver education programs tailored for Native students. TEDs would use this much-needed funding to develop academic standards, assess student progress, and create math and science programs that require high academic standards for students in tribal, public, and Bureau of Indian Education schools. Tribes exercising self-governance over their citizens' education have been very successful because they better understand the circumstances of their populations and can develop initiatives that meet local needs. Adequately funding TEDs would create the most return on Federal dollars spent.

<sup>1</sup> For example, the 2011 National Indian Education Study found that Native students continue to score significantly lower than their peers in reading and math in grades four and eight. Only 18 percent of Native fourth graders and 22 percent of Native eighth graders scored proficient or advanced in reading, and only 22 percent of Native fourth graders and 17 percent of Native eighth graders scored proficient or advanced in math. (National Indian Education Study 2011, NCES 2012–466. National Center for Education Statistics, Institute of Education Sciences, United States Department of Education.) The crisis of Indian education is perhaps most apparent in the Native high school dropout rate, which is not only one of the highest in the country, but is also above 50 percent in many of the States with high Native populations. (School Year 2010–2011 Four-Year Regulatory Adjusted Cohort Graduation Rates, Department of Education.)

<sup>2</sup> Bureau of Indian Education, "Bureau-Wide Annual Report Card, 2010–2011."

*School Construction and Repair*

Provide \$263.4 million for Bureau of Indian Education (BIE) school construction and repair.

This funding category includes school construction, facilities improvement and repair, and replacement school construction. Schools operating within the BIE system are woefully outdated and in some cases, dangerous for student and staff. More than 60 BIE schools are currently rated in “poor” condition, which puts Native students at an unfair disadvantage. Students cannot be expected to succeed in environments that are dilapidated and unsafe. Further, moratoriums on new construction only exacerbate the already large backlog of construction projects. The Federal Government must uphold its trust responsibility to Native education and fund construction and repair projects.

*Johnson O'Malley*

Provide \$36 million to the Johnson O'Malley program.

The Johnson O'Malley program has provided grants to supplement basic student needs since 1934. It is currently being used across the country in innovative ways to assist with the unique cultural and academic needs of Native students. However, current funding provides less than \$50 per student. These funds are often the only source through which Native students—including those in public schools—can engage in basic activities expected of all American students. Some examples include, but are not limited to, the acquisition of musical instruments for use in classrooms, essential school supplies, and educational field trips.

*Student Transportation*

Provide \$73 million for student transportation in the BIE system.

BIE schools incur significant costs in transporting Native students to and from school. These costs are considerably higher than most school systems due to the often-rural location of BIE facilities. Additionally, the poor road conditions that link the BIE-funded schools increase vehicle maintenance costs. These high costs often lead to funding shortfalls, which then must either go unpaid or be funded by diverting funds from other education programs.

*Tribal Grant Support Costs*

Provide \$73 million for tribal grant support costs for tribally operated schools.

Tribal Grant Support Costs fund the administrative costs of existing tribally operated schools. The current funding level only pays 65 percent of the current need and must not be reduced in the upcoming budget cycle. This funding also help tribes expand self-governance and tribal control over education programs by allocating monies for administrative costs such as accounting, payroll, and other legal requirements. Cuts must be avoided. Otherwise, schools must then divert critical teaching and learning funding to cover any shortfalls in operational costs.

*Facilities Operations*

Provide \$109 million for BIE facilities operations.

BIE schools use this funding for costs such as electricity, heating fuels, communications, vehicle rentals from the General Services Administration, custodial services, and other operating expenses. For years, schools have only received roughly 50 percent of funding needed for these expenses. This shortfall is unacceptable as costs continue to rise for vital services.

*Facilities Maintenance*

Provide \$76 million for BIE facilities maintenance.

BIE schools use this funding for the preventative and routine upkeep, as well as for unscheduled maintenance of school buildings, grounds, and utility systems. Underfunding of maintenance continues to be an issue as buildings are in poor conditions and cannot maintain proper standards.

*Indian School Equalization Formula*

Provide \$431 million for the Indian School Equalization Formula.

These funds provide the core budget account for BIE elementary and secondary schools by covering salaries for teachers, aides, principals, and other personnel. Indian School Equalization Formula (ISEF) funds are often reallocated to cover the program cuts in other areas of education. ISEF must have adequate funding to ensure all program needs are fulfilled.

*Juvenile Detention Education*

Reinstate \$620,000 for juvenile detention education in BIA-funded facilities.

These critical funds were eliminated in fiscal year 2012. This essential funding was used to provide educational services to detained and incarcerated youth at 24 BIA-funded juvenile detention facilities. One of the best methods to rehabilitate individuals is through education. Eliminating this program only exacerbates the issue and creates additional costs. Eliminating a program that was utilized to decrease the rate of repeat offenders does not save money and is short-sighted.

*Tribal Colleges and Universities' Institutional Operations*

Provide \$94.3 million for titles I and II under the Tribally Controlled Colleges and Universities Assistance Act.

*Title I.*—Fully funding title I of the Tribally Controlled Colleges and Universities Assistance Act of 1978 (Tribal College Act), which provides day-to-day operating funds for 26 TCUs, would require \$77.3 million. Since the act was first funded in 1981, the number of TCUs has more than quadrupled and enrollments have increased by more than 325 percent. Currently, Title I TCUs receive \$5,665 per Indian student toward their institutional operating budgets. Accounting for inflation, the program's funding level is more than \$1,500 less per Indian student than it was under the program's initial fiscal year 1981 appropriation, which was \$2,831 per Indian student. Despite the constraints of the current economy, Congress has an obligation to make these critical institutions whole now rather than continuing to make hollow promises for the future.

*Title II.*—Diné College has indicated a need for \$17 million to operate its multiple campuses and education sites located on the Navajo Nation in Arizona and New Mexico.

Five other TCUs receive institutional operating funds through the annual Department of the Interior Appropriations measure, under separate various authorities. To support the basic day-to-day operating budgets of these TCUs, we request the following:

- \$9 million for institutional operations of tribally chartered career and technical institutions under title V of the Tribally Controlled Colleges and Universities Assistance Act of 1978;
- \$9,369,000 for operations of the Institute of American Indian Arts in New Mexico under the American Indian, Alaska Native, and Native Hawaiian Culture and Art Development Act of 1986;
- Adequate funds for continued and expanded operations of Haskell Indian Nations University in Kansas and Southwestern Indian Polytechnic Institute in New Mexico under the Snyder Act of 1921; and
- \$27.7 million for a one-time appropriation, equal to 75 percent of the current combined funding of the institutional operations grants of those TCUs not funded under titles I or II of the Tribally Controlled Colleges and Universities Assistance Act of 1978, necessary to transition these programs to forward funding.

SUPPORT FOR THE NATIONAL INDIAN EDUCATION ASSOCIATION'S TESTIMONY

NCAI also supports the proposals outlined in Dr. Heather Shotton's testimony from the National Indian Education Association (NIEA). NIEA offered a number of nonfunding proposals, including:

- Release the updated BIA funded schools in poor condition index and tribal priority construction list(s).
- Promote Federal agency collation to ensure existing education programs are effective and funding is used efficiently.
- Establish a tribal advisory committee to advise the Secretary of the Interior on policy issues and budget development for the BIE school system.
- Direct the BIE to contract with tribal colleges and universities when possible for professional development, rather than funneling these resources to non-Native, outside entities.

Thank you for your consideration of this testimony.

PREPARED STATEMENT OF THE NATIONAL CONFERENCE OF STATE HISTORIC PRESERVATION OFFICERS

Fiscal year 2014 request of withdrawals from the Department of the Interior's National Park Service Historic Preservation Fund (16 U.S.C. 470h): \$50 million for State Historic Preservation Offices (SHPOs) and \$3 million for a competitive grant program for underrepresented populations.

The National Conference of State Historic Preservation Officers also supports the National Association of Tribal Historic Preservation Officers fiscal year 2014 request of \$9.985 million from the Historic Preservation Fund for Tribal Historic Preserva-

tion Officers (THPOs). With the anticipated number of THPOs reaching 150 in fiscal year 2014, the funding will provide THPOs the ability to meet the increasing needs and demands to comply with Federal, State, and tribal laws.

#### SUCCESS—FEDERAL-STATE PARTNERSHIP

In 1966 Congress enacted the National Historic Preservation Act (NHPA 16 U.S.C. 470) in recognition of the importance of our heritage. This act established historic preservation as a priority of the Federal Government. Recognizing that States are the experts of their own history, instead of using Federal employees to carry out the act, the Department of the Interior and the Advisory Council on Historic Preservation partner with the States—delegating to SHPOs the responsibility for: locating and recording historic resources; nominating significant historic resources to the National Register of Historic Places; fostering historic preservation programs at the local government level and educating communities on preservation ordinances; providing funds for preservation activities; commenting on Federal preservation tax projects; reviewing all Federal projects for their impact on historic properties; and providing technical assistance to Federal agencies, State and local governments and the private sector. And, States deliver these services to the Federal Government at half the operating cost by matching Federal funds with State resources.

#### SUCCESS—STREAMLINING

Federal, State, and local government agencies are working hard to deliver projects more quickly and efficiently, and for less cost—also known as streamlining. A popular buzz word, SHPOs have been streamlining and enacting increased efficiencies in historic preservation reviews (known as section 106 reviews under the National Historic Preservation Act) for decades. Last summer the Federal Highway Administration (FHWA) released a report entitled “Effective Practices for Considering Historic Preservation in Transportation Planning and Early Development.”<sup>1</sup> The report highlights innovative programs that enable State Department of Transportation and local transportation planning organizations to streamline their compliance with section 106 while simultaneously improving their stewardship of historic resources.

A common theme woven throughout the case studies was the importance of State Historic Preservation Offices. The HPF provides SHPOs the resources that makes innovation and increased efficiencies possible! The HPF provides SHPO’s with the staff, data, technology, and training resources necessary for success but without increased funding challenges remain:

- Colorado DOT*.—“The SHPO understands and supports what CDOT is trying to do through the Planning and Environmental Linkages program; however, the SHPO currently does not have the staff or resources to actively participate . . . From CDOT’s perspective, the SHPO’s involvement contributes to a better working relationship between their respective offices.”
- North Carolina DOT*.—“The biggest problem has been funding and staffing, especially at the SHPO and OSA. They currently do not have the staff or resources for digitizing records for the remainder of the State. The model, therefore, has not been expanded beyond the initial seven-county area.”
- Oregon DOT*.—“Part of the problem is SHPO staffing. The Oregon SHPO, like most SHPOs across the country, is understaffed and does not have the resources to fulfill their National Historic Preservation Act responsibilities and fully participate in programs like CETAS.”
- Texas DOT*.—“The participation of all the resource agencies, including the SHPO, was critical to the initiative’s success. CAMPO’s partners provided important sources of GIS environmental data, such as the TxDOT’s GISST database and screening tool.”

#### SUCCESS—JOB CREATION AND ECONOMIC DEVELOPMENT

##### *Job Creation*

Historic preservation creates jobs. Whether it is through the historic tax credit program, preservation grants, or other rehabilitation avenues, preservation creates skilled, principally local, jobs. The following are excellent examples of how historic preservation creates jobs and job training:

<sup>1</sup>“Effective Practices for Considering Historic Preservation in Transportation Planning and Early Project Development.” National Cooperative Highway Research Program Project 25–25, Task 49. Prepared by Cambridge Systematics, Inc. with the SRI Foundation. August 2009.

- In 2012, the private investment in the approved and completed projects totaled \$3.15 billion and averaged 77 jobs per project.<sup>2</sup>
- When compared to new construction, \$1 million spent to rehabilitate a building will create 5–9 more construction jobs and 4.7 new jobs will be created elsewhere in the community.<sup>3</sup>
- In California \$1 million of rehabilitation creates five more jobs than manufacturing \$1 million worth of electronic equipment. In Oklahoma \$1 million of rehabilitation creates 29 more jobs than pumping \$1 million worth of oil.<sup>4</sup>

#### *Economic Development*

From Phenix, a village in the northwest corner of West Warwick, Rhode Island to Ketchikan, Alaska historic preservation plays a key role in creating, maintaining, and growing these communities while preserving their historical significance.

The Federal Rehabilitation Tax Credit program is an important driver of economic development. The program benefits communities by:

- Increasing the value of the rehabilitated property—returning vacant or underutilized structures to the tax rolls.
- Encouraging protection of landmarks through the promotion, recognition, and designation of historic structures, and acting as a catalyst for further community renewal.
- Upgrading downtowns and neighborhoods and often increasing the amount of available housing within the community.

Heritage tourism also creates jobs, new businesses, builds community pride and can improve quality of life. SHPOs are essential, ground level partners in identifying historic places and providing research for tourism interpretation. A 2010 U.S. Cultural & Heritage Tourism Marketing Council study found that:

- Two-thirds of cultural and heritage travelers visited some sort of historic site.
- 65 percent of cultural and heritage travelers seek travel experience where the “destination, its buildings and surroundings have retained their historic character.”
- Other cultural and heritage activities include: visiting historic sites (66 percent); attending historical re-enactments (64 percent); visiting a State or national park (41 percent); shopping in museum shops (32 percent); and exploring urban neighborhoods (30 percent).
- Cultural and heritage travelers spend about \$994 per trip compared to \$611 spent on the average U.S. trip.
- 45 percent spend more of their money on cultural and heritage activities than they do on anything else while on their trip.
- 37 percent would pay more for lodging if it somehow reflects the culture or heritage of the destination they are visiting.

#### SUCCESS—SAVING AMERICA’S HERITAGE

Preservation in part recognizes the significant places in American history at the local, State, and national levels through creating historic districts and listing resources on National and State Historic Registers. State Historic Preservation Officers, through the authority of the National Historic Preservation Act are there to assist, support and encourage communities with their efforts. National Register recognition by the Secretary confirms citizens’ belief in the significance of their community. That recognition, in turn, builds stable, livable neighborhoods such as those in Portland, Oregon and Nashville, Tennessee. Best of all, this neighborhood improvement comes from individual, private investment, not from Federal programs.

The National Historic Preservation program is primarily one of assistance, not acquisition. The Federal Government does not own, manage, or maintain responsibility for most of the historic assets in the National Historic Preservation program. Instead, the program, through the SHPOs, provides individuals, communities, and local and State governments the tools they need to identify preserve and utilize the historic assets of importance to them.

To that end, the NCSHPO supports the \$3 million request in the President’s fiscal year 2014 budget for a competitive grant program to survey and nominate to the National Register of Historic Places or National Landmark Program, sites associated with populations that are currently underrepresented. The best part—no Federal ongoing responsibility.

<sup>2</sup>“Federal Tax Incentives for Rehabilitating Historic Buildings—Statistical Report and Analysis for FY 2012” National Park Service.

<sup>3</sup>*The Economics of Rehabilitation*, Donovan Rypkema.

<sup>4</sup>*The Economics of Historic Preservation*, Rypkema 1998:13.

## 2012 STATE HISTORIC PRESERVATION OFFICES' ACCOMPLISHMENTS

SHPOs used their HPF allocations well in 2012. While virtually every State continues to experience staffing and operation reductions, SHPOs must still fully discharge the responsibilities outlined in the NHPA. Highlights and accomplishments include:

- Reviewing nearly 142,000 Federal undertakings within 30 days.
- Leveraging over \$3.15 billion of private investment in the rehabilitation of commercial historic properties under the Federal Rehabilitation Tax Credit program (FRTC).
- An estimated 57,783 jobs created by the FRTC program in 2011 as well as 6,366 low and moderate income housing units.
- Approximately 20.9 million acres surveyed for the presence and absence of cultural resources and more than 610,860 properties evaluated for their historical significance.
- 1,179 new listings in the National Register of Historic Places.
- 104,813 National Register eligibility opinions.
- 42 new communities became Certified Local Governments (CLGs).
- Under local law, CLGs newly designated 101,000 properties, and 74,500 properties took part in local preservation review, programs, and incentives.

## CONCLUSION

On behalf of all 57 SHPOs, I'd like to thank you Chairman Reed, Ranking Member Murkowski, and members of the Senate Appropriations Subcommittee on Interior, Environment, and Related Agencies for the opportunity to submit testimony.

Historic preservation recognizes that what was common and ordinary in the past is often rare and precious today, and what is common and ordinary today may be extraordinary—50, 100 or 500 years from now. I would like to thank the committee for their commitment to historic preservation. The Federal Government plays an invaluable role in preserving our Nation's history and through our partnership, SHPOs stand committed to identify, protect, and maintain our Nation's historic heritage. Thank you.

## PREPARED STATEMENT OF THE NUCLEAR ENERGY INSTITUTE

The Nuclear Energy Institute<sup>1</sup> (NEI) appreciates the opportunity to express its concern over the revision or enforcement of certain regulations promulgated, and actions taken under certain laws, by the Department of the Interior, the Bureau of Land Management, and the Environmental Protection Agency:

- DOI's withdrawal of land in northern Arizona from uranium mining activity;
- Unnecessary and unreasonable regulatory delays by BLM, EPA, and other agencies involving permits for uranium mining;
- BLM's proposal to amend land segregation regulations to allow withdrawal of lands from mining activity when they are included in a pending or future wind or solar energy generation right-of-way application, or identified by BLM for potential authorization for that purpose; and
- BLM sage grouse habitat management in 11 Western States, which could unduly restrict uranium mining activity.

## DOI'S WITHDRAWAL OF LAND FROM NEW URANIUM MINING IN NORTHERN ARIZONA IS UNNECESSARY FOR ENVIRONMENTAL PROTECTION AND REMOVES FROM PRODUCTION A DOMESTIC SOURCE OF HIGH-GRADE URANIUM FOR ENERGY SECURITY

DOI has withdrawn from new uranium mining activity 1 million acres outside the boundaries of the Grand Canyon National Park, which encompasses 1.2 million acres and includes a buffer zone to protect the Grand Canyon. There is no current or proposed uranium mining inside Grand Canyon National Park. Uranium resources in the Arizona Strip are among the highest-grade ores in the United States. These uranium resources are higher grade than 85 percent of the world's uranium resources, according to DOI's Final Environmental Impact Statement. The area rep-

<sup>1</sup>The Nuclear Energy Institute (NEI) is the organization responsible for establishing unified industry policy on matters affecting the nuclear energy industry, including the regulatory aspects of generic operational and technical issues. NEI's members include all entities licensed to operate commercial nuclear powerplants in the United States, nuclear plant designers, major architect/engineering firms, fuel cycle facilities, nuclear materials licensees, and other organizations and entities involved in the nuclear energy industry.

resents as much as 375 million pounds of uranium—more than seven times U.S. annual demand.

The Arizona Strip land withdrawal is not justified because of erroneous information upon which DOI's Final Environmental Impact Statement is based. Contrary to Secretary Salazar's statement in announcing the land withdrawal on January 9, 2012, today's environmental laws ensure that ore extraction and production at uranium mines have negligible impact on surrounding land, water, and wildlife. Moreover, it is a fact that modern mining practices and associated regulatory standards themselves ensure minimal environmental impact. DOI's EIS for the land withdrawal, on the other hand, was based on uranium mining practices of the 1950s and 1960s that are no longer used and, therefore, distorted environmental impacts that will not arise given current mining techniques and regulatory requirements. In addition, miners must provide assurance that the financial resources are in place to remediate a site before any mining begins.

Even Arizona Governor Brewer, the principal steward for environmental protection in her State, objected to the proposed withdrawal: with environmental laws currently in place, "ore extraction and production at existing uranium mines have minimal environmental impact on the surrounding land, water, and wildlife."

It appears that DOI has ignored critical technical information, often provided by the industry, in order to justify a public policy outcome favored by the Department, when public policy should be based on scientific fact. NEI has joined the National Mining Association in litigation contesting the Arizona withdrawal, contending that the underlying statute is unconstitutional and that DOI did not reasonably assess the basis for the withdrawal. NEI urges the subcommittee to instruct DOI to base all future Department decisions on compelling public policy grounds and accurate technical information, not on technically flawed environmental impact statements that use outdated and incorrect information.

UNNECESSARY AND UNREASONABLE BLM, EPA, AND OTHER AGENCY REGULATORY DELAYS INVOLVING PERMITS FOR URANIUM MINING RESULTING FROM AGENCY INEFFICIENCY AND LACK OF COORDINATION POSE A SERIOUS IMPEDIMENT TO EXPANSION OF THE DOMESTIC URANIUM MINING INDUSTRY AND SEND JOBS TO OTHER COUNTRIES

Nuclear energy generates nearly 20 percent of our country's electricity, and represents 63 percent of the electricity produced by non-emitting energy sources. Yet, 90 percent of the uranium used by nuclear powerplants comes from sources outside of the United States. Unnecessary and unreasonable regulatory delays pose a serious impediment to expanding the domestic uranium industry and ensuring long-term a reliable and domestic supply of nuclear powerplant fuel. Thus, these delays have an adverse impact on enhancing our country's energy security as well as economic growth, as the mining jobs that Americans could have remain in other countries.

Unnecessary and unreasonable delays in mine permitting are a widely recognized problem. Last year a bipartisan bill requiring agency action to eliminate these delays with regard to nonfuel minerals passed the House by an overwhelming majority. This year the bill, National Strategic and Critical Minerals Production Act of 2013 (H.R. 761), stipulates that minerals "necessary" for "electrical power generation and transmission" are considered "strategic and critical minerals," indicating the national importance of the electric power industry. The measures prescribed by this bill for nonfuel minerals would remedy the regulatory delays occurring in the domestic uranium mining industry as well. These include streamlined National Environmental Policy Act compliance determination, coordination of review by all relevant agencies to eliminate duplication, more effective use of State agency permitting actions, time limits for each phase of the review process and overall total time limit, and a reasonable public comment process. The bill also calls for expeditious judicial review of agency actions, when they occur, with limitations on relief.

NEI respectfully asks the subcommittee to direct BLM and EPA to coordinate with each other and the Nuclear Regulatory Commission, the Department of Agriculture, and relevant State agencies to develop and follow procedures that will eliminate unnecessary and unreasonable delays in uranium mining permitting. We have every confidence that BLM can do for uranium mining what it has done for renewables development. As the Government Accountability Office has reported in *Renewable Energy: Agencies Have Taken Steps Aimed at Improving the Process for Development on Federal Lands*, GAO-13-189, January 2013, "What GAO Found":

"Federal land management agencies. . . have developed or revised policies aimed at, among other things, improving the renewable energy permitting process, formalized coordination within and across agencies and with State and local governments, and devoted increased resources to processing applications for renewable energy per-

mits. One of BLM's most comprehensive actions was the completion of programmatic environmental impact statements for renewable energy development, intended to streamline the permitting process. The agencies also took steps to improve coordination through regularly established meetings and development of memorandums of understanding between Federal and State agencies. . . . To help ensure that its actions are achieving their intended purposes, BLM issued an instruction memorandum in December 2012 aimed at increasing the efficiency and effectiveness of its renewable energy permitting process."

BLM'S PROPOSAL TO AMEND LAND SEGREGATION REGULATIONS TO ALLOW WITHDRAWAL OF LANDS FROM MINING ACTIVITY FOR WIND OR SOLAR ENERGY GENERATION VIOLATES THE MULTIPLE-USE MANDATE OF FEDERAL LANDS, PENALIZING ECONOMIC GROWTH AND JOB CREATION

Last year BLM set aside more than 300,000 acres in the Southwest from new mining claims for at least 20 years, designating those lands solely for solar energy development and transmission, extending the withdrawal time period of an interim rule allowing the segregations of lands exclusively for renewables use.

The Federal Land Policy and Management Act of 1976 requires BLM to manage public lands to accommodate multiple uses and to provide for the Nation's mineral needs so that the most benefit will accrue to U.S. citizens. Conflicts should be resolved in favor of maximum land use and benefit. The BLM proposal violates the multiple-use requirement, being overly broad in its outright segregation of lands for renewable energy use only. Moreover, the amendment is unnecessary, as conflict resolution, if necessary, is possible.

Mining and all renewable energy projects are not mutually exclusive. Wind energy or solar thermal projects and mining operations can be co-located and developed simultaneously. Solar projects consisting of fields of photovoltaic panels, on the other hand, can eliminate all other uses of the land, including grazing, recreation, and oil and gas exploration and production. Photovoltaic fields also eliminate the mining of minerals, many of which are required for renewable energy generation and transmission.

NEI is concerned about the precedent that has been set by this particular land withdrawal. Thus, when BLM is considering designating lands solely for renewable projects, NEI urges the subcommittee to direct BLM to evaluate whether other potential uses of Federal land are being prevented and if benefits would be lost to the American public during the BLM process of determining sole use segregation of land for renewable energy production. Further, NEI urges the subcommittee to direct BLM to exercise caution in segregating lands in the future, given the vast amount of Federal land already closed to mining operations. Finally, NEI urges the subcommittee to ask BLM to reevaluate the newly lengthened segregation period of 20 years, increased from 5 years, which is excessive and could adversely impact legitimate mining claims.

BLM SAGE GROUSE HABITAT MANAGEMENT IN 11 WESTERN STATES MAY UNDULY RESTRICT URANIUM MINING ACTIVITY

BLM is taking immediate and longer term conservation actions for sage grouse priority habitat (breeding, late brood-rearing, winter concentration areas) and general habitat (additional occupied seasonal or year-round areas). Both types of habitat are being identified in collaboration with State wildlife agencies. With as many as 160 million acres potentially affected in 11 Western States, BLM's conservation efforts could have a substantial impact on uranium mining activity on public lands.

Chairman Hastings, in his March 7, 2013 letter to DOI on behalf of the Committee on Natural Resources, points out that "there are as many as 98 separate planning strategies under consideration in 68 various areas in several States" in response to BLM's National Technical Team Report on National Greater Sage-Grouse Conservation Measures. As Chairman Hastings notes, scientific reviewers are critical of the report, with one noting that the report "does not appear to have any 'rational scientific basis.'" Chairman Hastings' letter concludes that "the administration's 2011 ESA multi-species-settlement, negotiated behind closed doors, essentially handed over prioritization of endangered species listings to special interest groups," initiating the greater sage grouse conservation actions, which are "being driven by litigation, closed-door settlements and court deadlines, rather than being guided by sound science and the best available data and information."

According to its long-term planning directive memorandum, BLM will establish consistent protection measures for the sage grouse and its habitat. BLM will incorporate the protection measures into one or more alternatives for analysis in the environmental impact statements that BLM will use to amend its resource manage-



ment plans. These plans are scheduled for release in 2014. NEI believes there is the potential that these plans will require wholesale withdrawal of lands from mining activities with no validity examination allowed for ongoing or future mining claims.

NEI recommends close congressional oversight of the BLM process for development and implementation of the sage grouse habitat management plan. In addition, NEI asks that the subcommittee direct BLM to adopt a balanced approach to sage grouse conservation that is consistent with BLM's statutory mandate for multiple uses of public lands and avoid or minimize adverse social and economic impacts. Finally, NEI asks that the committee review the various sage grouse conservation plans to ensure that they do in fact ensure multiple use.

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PREPARED STATEMENT OF THE NORTHERN FOREST CENTER

Mr. Chairman and honorable members of the subcommittee: Thank you for the opportunity to present this testimony in support of the Community Forest and Open Space Conservation Program (Community Forest Program) under the USDA Forest Service in the fiscal year 2014 Interior, Environment, and Related Agencies Appropriations bill. This program was first authorized by Congress in title VIII, section 8002 of the Farm, Conservation, and Energy Act of 2008.

We are pleased to support the President's fiscal year 2014 budget request of \$4 million for the Community Forest Program. The Community Forest Program is an important new tool and opportunity for communities to take advantage of the surrounding forest landscape—a flexible, locally led approach to conservation and economic development that we have seen at work here in the Northern Forest of New York, Vermont, New Hampshire, and Maine. The Community Forest Program provides matching funds to help local government entities, Indian tribes, and nonprofit organizations to purchase forestlands threatened with development for local ownership and management.

Development threats to private forests are real and growing, creating urgency for the Community Forest Program. The U.S. Forest Service report *Private Forests, Public Benefits* projects that 57 million acres of America's private forests could experience a substantial increase in housing density by 2030. This level of change would impact working forests, renewable biomass energy production, water supplies, recreation access, wildlife, and other forest resources important to communities.

Fostering greater local ownership of important forestlands is a great conservation strategy that allows each project to be fine-tuned for local needs, including economic development through forestry and recreation. The Community Forest Program requires each grantee to develop a forest management plan, and makes available technical support from State and tribal forestry agencies to assist interested grantees with forest planning.

Locally driven conservation has proven popular and effective across the country, which is why this program has drawn national support from diverse forest sector interests, sporting organizations, land trusts, and local community groups. Communities and tribes can utilize these forests to meet their most pressing needs, from timber revenue for local budgets to hunting and fishing access that is open to all. The program also emphasizes the power of community forests to educate. Demonstration forestry to inform private landowners and youth outdoor education are among the activities the program seeks to support.

We greatly appreciate the committee's past support for the Community Forest Program as reflected in prior year appropriations. The first round of Community Forest Program grants was awarded last year using fiscal year 2012 and prior year funding totaling \$3.5 million. The diversity of applications from across the country—49 total projects seeking \$14.5 million—demonstrated the breadth of need for this kind of locally led conservation. The U.S. Forest Service received strong applications from local governments, tribes, and a wide array of local nonprofit organizations spread across 24 different States. The proposed projects collectively offered leverage of more than \$3 in non-Federal funding for every \$1 requested in Community Forest Program funds. This demonstrates the willingness of local entities to match Federal funding with significant commitments of funding and other resources.

The 10 Community Forest Program projects funded in fiscal year 2012 featured a diversity of local government, tribal, and local nonprofit grantees. For example:—The Easton-Sugar Hill Community Forest project will enable the towns of Easton and Sugar Hill, New Hampshire, in partnership with the Ammonoosuc Conservation Trust, to create an 840-acre mixed-elevation locally owned forest adjacent to White Mountain National Forest. This important tract will connect regional trails to the National Forest, protecting recreation access for the commu-

- nity and the recreation economy. Education initiatives planned include workshops and a planned silvicultural curriculum for local students, as well as demonstration of community and nonprofit cooperatives to preserve large forest tracts. Demonstrating community management of this large forest will provide a valuable model for rural conservation partnerships adjacent to Federal lands.
- The Barre Town Forest project helped a Vermont town to acquire lands containing a regionally popular biking and skiing trail network that draws recreation tourism from across New England. A study by the Gund Institute at the University of Vermont estimated the local economic impact of this tourism at \$481,000 annually, with projected increases to \$640,000 by 2015. The property will also continue to feature working forestry and offer interpretive features that showcase the history of granite operations in the area.
  - The Mount Ascension Natural Park project will enable the City of Helena, Montana, in conjunction with Prickly Pear Land Trust, to complete a 540-acre acquisition. Timber will be harvested to mitigate the mountain pine beetle infestation in this area and to provide economic benefits to the community. School groups routinely use Mount Ascension Natural Park for educational purposes and local Boy and Girl Scouts utilize the park as their primary site for outdoor education.
  - The Hall Mountain project in North Carolina enabled the Eastern Band of Cherokee Indians to acquire this highly significant 108-acre tract perched above a sharp bend in the Little Tennessee River. Tribal ownership of this property will enhance tribal members' access to fisheries and wildlife-related recreational and subsistence activities. White-oak regeneration will allow local artisans and craft makers to obtain the resources needed to make their crafts and stimulate their local economy. In addition, the Cherokee will continue to actively protect the forest through traditional forest management practices.

Given the strong interest in the Community Forest Program that was demonstrated in this first round of grants, and the impressive list of projects that still wait to be funded, it will be important to provide adequate funding to meet future demand. Locally owned forests help advance national goals to increase opportunities for Americans to connect with forests in their own communities and foster new public-private partnerships for conservation, restoration, and management. It is in the national interest to match the initiative of local communities, tribes, and nonprofits as they work to take a leadership role in conservation of their communities.

A robust investment in the Community Forest Program as part of the fiscal year 2014 appropriations for the U.S. Forest Service will help maintain the momentum that the agency and its many partners have created. Just this spring, a group of 39 local government and nonprofit organizations sent a letter of support to this committee asking that the committee meet the President's requested fiscal year 2014 level for the Community Forest Program of \$4 million. We are grateful for your consideration of this testimony and the strong interest of these many organizations.

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#### PREPARED STATEMENT OF THE NATIONAL GROUND WATER ASSOCIATION

The National Ground Water Association (NGWA) requests that \$2.5 million be included in the U.S. Geological Survey's (USGS) Groundwater Resources Program account to begin implementation of a national groundwater monitoring network. NGWA is the world's largest association of groundwater professionals, representing public and private sector engineers, scientists, water well contractors, manufacturers, and suppliers of groundwater-related products and services.

Water is one of the most critical natural resources to human, ecosystem and economic survival. In the United States, 78 percent of community water systems, nearly all of rural America's private household wells, and 42 percent of agricultural irrigation water are supplied by groundwater. While the Nation's people, food supply, economy and ecosystems depend on groundwater, no systematic nationwide monitoring network is in place to measure what is currently available and how groundwater levels and quality may be changing over time. As with any valuable natural resource, our groundwater reserves must be monitored to assist in planning and minimizing potential impacts from shortages or supply disruptions. Just as one cannot effectively oversee the Nation's economy without key data, one cannot adequately address the Nation's food, energy, economic, and drinking water security without understanding the extent, availability and sustainability of the critical commodity—groundwater.

In the face of current and anticipated water supply shortages, public and private sector water professionals have put out the call over the years for increased ground-

water monitoring and the dissemination of the resulting data to the Nation.<sup>1</sup> And the need to take action continues to this day.<sup>2 3</sup>

Congress listened and responded to these requests for enhanced groundwater monitoring by authorizing a national groundwater monitoring network with passage of Public Law 111–11 (Omnibus Public Land Management Act) in 2009. Six States<sup>4</sup> voluntarily pilot tested concepts for a national groundwater monitoring network as developed by the Federal Advisory Committee on Water Information’s Subcommittee on Ground Water. If this effort moves forward, consistent, comparable nationwide data would become accessible through a web portal for Federal, State, local government, and private sector users. In these tight fiscal times, the proposed network would build on existing State and Federal investments, maximizing their usefulness and leveraging current dollars to build toward systematic nationwide monitoring of the groundwater resource.

The administration’s fiscal year 2014 USGS budget request of approximately \$600,000 split between the National Ground Water Monitoring Network, and a groundwater climate response network is woefully inadequate to support regional, State, and tribal partners and move a national groundwater monitoring network forward. We ask the subcommittee to allocate \$2.5 million exclusively for the National Ground Water Monitoring Network to do the following:

- Provide grants to regional, State, and tribal governments to cost share increased expenses to upgrade monitoring networks to meet the standards necessary to understand the Nation’s groundwater resources. The shared funding arrangements should be modeled after highly successful cooperative programs (e.g., STATEMAP) that already exist between USGS and the States; and
- Support the additional work necessary for USGS to manage a national groundwater monitoring network and provide national data access through an Internet web portal.

The redirection of an appropriation of \$2.5 million for groundwater monitoring requested here is small in comparison to the entirety of the Department of the Interior’s appropriations. But the \$2.5 million appropriation is vital when we understand that for a small investment we can begin finally to put in place adequate monitoring of the hidden resource that provides nearly 40 percent of the Nation’s drinking water supply and approximately 42 percent of irrigation water. Thank you for your consideration of this request.

NGWA is a not-for-profit professional society and trade association for the groundwater industry. NGWA is the largest organization of groundwater professionals in the world. Our members from all 50 States and 72 countries include some of the leading public and private sector groundwater scientists, engineers, water well contractors, manufacturers, and suppliers of groundwater related products and services. NGWA’s vision is to be the leading community of groundwater professionals that promotes the responsible development, use and management of groundwater resources.

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PREPARED STATEMENT OF THE NATIONAL HUMANITIES ALLIANCE AND THE FOLGER  
SHAKESPEARE LIBRARY

Mr. Chairman and members of the subcommittee: On behalf of the National Humanities Alliance with its 104 member organizations and the Folger Shakespeare Library, I write to express strong support for the National Endowment for the Humanities (NEH).

OVERVIEW

For fiscal year 2014, we respectfully urge the subcommittee to fund the National Endowment for the Humanities at the administration’s requested level of \$154.4 million.

<sup>1</sup>U.S. Government Accountability Office. Freshwater Supply: States’ Views of How Federal Agencies Could Help Them Meet the Challenges of Expected Shortages. (GAO–03–514). July 2003. Page 1.

<sup>2</sup>White House Council on Environmental Quality. Progress Report of the Interagency Climate Change Adaptation Task Force: Recommended Actions in Support of a National Climate Change Adaptation Strategy. October 5, 2010. Page 11.

<sup>3</sup>U.S. Government Accountability Office. Energy-Water Nexus: A Better and Coordinated Understanding of Water Resources Could Help Mitigate the Impacts of Potential Oil Shale Development. (GAO–11–35). October 2010. Page 39.

<sup>4</sup>The six pilot States were Illinois, Indiana, Minnesota, Montana, New Jersey, and Texas. Additionally, Idaho, North Carolina, South Carolina, Washington and Wyoming volunteered as pilots but were not included given limited oversight resources.

The National Endowment for the Humanities has endured significant cuts in recent years. From fiscal year 2010 through fiscal year 2013, NEH has been cut by more than 16 percent, from \$167.5 million to less than \$140 million. These decreases have come on top of a long history of cuts that have eroded the agency's capacity to meet the demand for its support. Modestly increasing NEH's budget to \$154.4 million would allow the Endowment to build its capacity to support the humanities at a time when the humanities are increasingly called upon to meet national needs.

While we recognize the seriousness of the fiscal situation faced by Congress and the administration, and we understand the difficult choices that are before this subcommittee, we believe that the capacity of NEH must be expanded. In the remainder of this testimony, I will articulate the reasons for this expansion by first describing the ways in which the humanities have been called upon to help accomplish four critical national goals and then by describing the central role of the National Endowment for the Humanities in achieving these goals.

#### IMPORTANCE OF THE HUMANITIES TO NATIONAL NEEDS

The humanities are increasingly called upon to play critical roles in our efforts to achieve four national goals: opportunity for all Americans, innovation and economic development, productive global engagement, and strong communities.

##### *Opportunity for All Americans*

Many Americans lack access to opportunity because they are deficient in a number of critical skills that are sought by employers. In a recent study conducted by the Conference Board, Corporate Voices for Working Families, the Partnership for 21st Century Skills, and the Society for Human Resource Management, employers ranked reading and writing as top inadequacies in new hires. More than one-third of employers found high school graduates "deficient" in reading comprehension, and "written communications" tops the list of applied skills found lacking in high school and college graduates. The Common Core standards that have been adopted in 45 States call for the humanities to play a central role in correcting these inadequacies by fostering essential skills and habits including reading, writing, critical thinking, and effective communication across primary and secondary school curricula. These deficiencies not only limit the economic mobility of individuals, they also carry an economic burden for society as annual spending on remedial writing courses is estimated at more than \$3.1 billion for large corporations and \$221 million for State employers.

##### *Innovation and Economic Growth*

Employers increasingly seek employees who can combine the cultural knowledge and analytical ability fostered by humanities programs with technical knowledge and scientific research fostered by STEM education to create innovation and economic growth. In an effort to serve this demand, the Committee on the Engineer of 2020, a group convened by the National Academy of Engineering, recommends increased interdisciplinary education—including the humanities—in order to train engineers with the broad perspective necessary for 21st century innovation. Similarly, a substantial number of medical schools have integrated humanities coursework into their programs to enhance the cultural knowledge and observational abilities of their graduates with the goal of providing higher quality, more efficient care. Recognizing the role that the humanities play in fostering innovation, countries such as China and India have begun to integrate the humanities into their own education systems.

##### *Productive Global Engagement*

As they deal with increasingly complex international relationships, both business and military leaders look to the humanities to provide critical knowledge about communities throughout the world. These leaders argue that our ability to engage productively with the world depends on the deep knowledge of the languages, cultures, and histories of rapidly changing areas of the world that the humanities cultivate and maintain. Historians, linguists, anthropologists, archaeologists, and literature scholars among others spend years learning about communities and their deep roots, thereby gaining expertise that may inform those who seek to work in these geographic areas. As the former Ambassador to Afghanistan, Karl Eikenberry, recently said in his address to the National Humanities Alliance Annual Meeting as he described the critical role of the humanities in preparing our citizens for global engagement, "We need a strong cadre of Americans in our Government, military, business, civil society, academe, and beyond who have the right skills and experi-

ence to help America stay connected with the world and shape outcomes that secure our national interests.”

#### *Strong Communities*

Finally, with the well-documented decline in critical, community-based social institutions, communities throughout our own country are trying to foster a sense of shared identity and responsibility. In doing so, they rely on the humanities to preserve and explore their history and traditions in order to promote the understanding of common ideals, enduring civic values, and shared cultural heritage. To strengthen communities, humanities councils, museums, libraries, and universities produce vital programs that promote understanding among diverse communities through the cultivation and exchange of knowledge about cultural heritage and history.

#### THE CENTRAL ROLE OF NEH

The National Endowment for the Humanities is organized into Federal/State Partnerships, the division that supports humanities councils that provide engaging programs in every State and territory; Competitive Grants, which awards peer-reviewed grants in Research, Education, Preservation, Digital Humanities, Challenge Grants, and Public Programs divisions; and Special Initiatives, which awards funds through its Bridging Cultures program to projects that promote understanding among diverse communities. In this testimony, I will focus on the NEH Competitive Grants in order to illustrate the central role that NEH funding plays in supporting critical humanities work.

Each year, NEH awards hundreds of competitive, peer-reviewed grants to individual scholars and a broad range of nonprofit educational organizations around the country. Grantees include universities, 2- and 4-year colleges, humanities centers, research institutes, museums, historical societies, libraries, archives, scholarly associations, K–12 schools, local education agencies, public television/film/radio producers, and more. Through its competitive grants programs, NEH supports the preservation of collections that would be otherwise lost, path-breaking research that brings critical knowledge to light, programs for teachers that enrich instruction in schools, and public programs that reach individuals and communities in every district in the country. There is a high likelihood that someone from your district has benefited from this funding. To make this concrete, I’ll provide two illustrative examples in the following paragraphs.

#### *Salafi Networks in Southeast Asia*

In one case, a team from the Center for the Study of Religion and Conflict at Arizona State University received a grant from NEH to study varieties of Salafism. In the words of the team’s lead researcher, who brings more than 30 years of experience studying religion in Southeast Asia to the project, “Salafism is the driving force behind movements ranging from al Qaeda to quietist groups living pious lives in self-imposed isolation . . . Because these diverse groups share religious teaching and symbols, scholars, policymakers, and intelligence analysts often have difficulty distinguishing between violent and nonviolent Salafis.” Clearly this distinction is critical for maintaining both our national security and productive diplomatic relations, and this grant provides this knowledge to other scholars, policymakers, and others.

#### *Teaching Shakespeare Institute*

At the Folger Shakespeare Library’s Teaching Shakespeare Institute, supported by the NEH, 25 secondary school teachers from across the Nation attend intensive seminars with distinguished Shakespeare scholars and work with our unique resources and collections. The experience enhances teachers’ ability to integrate research into their teaching, allowing them to create the kind of stimulating project-based learning opportunities that transform students into lifelong learners. NEH grants for teaching institutes, such as the one at the Folger Shakespeare Library, promote the deep knowledge of humanities subject matter that is critical to ensuring that initiatives such as the Common Core standards succeed in improving academic attainment for all Americans. Through these transformative workshops, teachers become excited about the subjects they teach and then communicate their enthusiasm to students, making the classrooms exhilarating places to learn.

Given the important role of projects such as these, we are especially concerned about the decline in funding for the NEH competitive grants that support them. In the past, NEH’s rigorous evaluation process has determined that a greater number of projects than the agency is currently able to fund were worthy of support. As a result of recent cuts, NEH is able to make many fewer grants for fellowships and collaborative research; digital humanities projects; professional development for

teachers and faculty; preservation of historically significant collections; public film, radio, television, and digital media projects; and challenge grants to build institutional capacity and leverage non-Federal support.

Although modest, the increased support proposed by the President would have a significant impact. For example, at the proposed fiscal year 2014 level, the NEH Research Division could make 48 more awards than in fiscal year 2013. This means that an additional 44 individual scholars could receive fellowships, and 4 more collaborative research projects could receive continuing support. This kind of support is vital for humanities faculty. It enables recipients to devote themselves to intensive, systematic research—the kind of research needed to produce new insights. NEH's continuing support can enable a long-term project to continue, leveraging additional institutional support and providing unique research opportunities for participating graduate and undergraduate students. Similarly, the NEH Education Research Division could enable 530 additional teachers to revitalize their knowledge of the humanities through participation in summer workshops; approximately 66,000 high school students would benefit from this valuable professional development for teachers.

#### CONCLUSION

We recognize that Congress faces difficult choices in this and coming years. Nevertheless, we ask the subcommittee to consider modestly increased funding for the humanities through NEH as an investment in opportunity for all Americans, innovation and economic growth, productive global engagement, and strong communities. Thank you for consideration of our request and for your past and continued support for the humanities.

Founded in 1981, the National Humanities Alliance advances national humanities policy in the areas of research, preservation, public programming, and teaching. More than 100 organizations are members of NHA, including scholarly associations, humanities research centers, colleges, universities, and organizations of museums, libraries, historical societies, humanities councils, and higher education institutions.

An internationally recognized research library established in 1932, the Folger Shakespeare Library is a primary repository for material on the early modern period in Europe (1500–1750); a center for advanced scholarly programs in the humanities; an innovator in the preservation of rare materials; a national leader in how Shakespeare is taught in grades K–12; and an award-winning producer of arts programs.

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#### PREPARED STATEMENT OF THE NATIONAL INDIAN CHILD WELFARE ASSOCIATION

The National Indian Child Welfare Association (NICWA) is a national American Indian/Alaska Native (AI/AN) organization with more than 25 years of experience in providing leadership in support of and analysis of public policy that affects AI/AN children and families. NICWA regularly provides community and program development technical assistance to tribal communities regarding the development of effective services for this population. Our primary focus will be on Bureau of Indian Affairs (BIA) programs serving AI/AN children and families. We thank the subcommittee for its efforts to honor the Federal trust responsibility and provide necessary resources to meet the unique needs of tribal children and families.

The Indian Child Welfare Act (ICWA) was enacted over 35 years ago in 1978 in response to the troubling practices of public and private child welfare agencies that were systematically removing large numbers of AI/AN children from their homes, communities, and cultures, and placing them in non-Indian foster and adoptive homes (25–35 percent of all tribal children). In spite of ICWA's mandates, AI/AN families in the child welfare system are still removed from their homes, communities, and cultures at rates higher than other children in America. Where abuse or neglect has been reported, AI/AN children in State child welfare systems are two times more likely to be investigated, two times more likely to have allegations of abuse substantiated, and four times more likely to be placed in foster care than white children.<sup>1</sup> This has led to the overrepresentation of AI/AN children in State foster care (AI/AN children are overrepresented in foster care at a rate 2.2 times

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<sup>1</sup>Hill, R. B. Casey-CSSP Alliance for Racial Equity in Child Welfare, Race Matters Consortium Westat. (2008). *An analysis of racial/ethnic disproportionality and disparity at the national, State, and county levels*. Seattle, Washington: Casey Family Programs.

greater than their rate in the general population.)<sup>2</sup> In several States, the rate of tribal children in State foster care is even higher, as much as 10 times their proportion in the general population.

The surest ways to reduce the number of AI/AN children in State child welfare systems is to ensure that tribes have the ability to effectively partner with States as Congress intended under ICWA by increasing tribal service capacity, funding off-reservation Indian child welfare programs to assist tribal governments and States, and fund tribal child abuse prevention and treatment programs to prevent abuse and possible removal of children and treat the trauma of victims of child abuse that, left untreated, can increase the risk of further abuse in the future.

Although ICWA recognizes tribes' inherent sovereign right to intervene in State child welfare proceedings and provide services for their member children and families, tribal child welfare programs remain underfunded and therefore unable to fully exercise this right and responsibility. Tribes have an important relationship with their children and families: they have important knowledge of how to best meet the needs of AI/AN children, and are best suited to effectively serve those needs and improve outcomes for these children.<sup>3</sup> Furthermore, many States find tribes to be an essential part of the child welfare system because of the culturally competent case management, services, and placements they provide tribal children.<sup>4</sup> Not only is the Federal funding currently available for tribal child welfare programs inadequate, but tribes remain ineligible for several important sources of child welfare funding that States access and rely upon to create a continuum of care (from prevention to permanency).

#### INDIAN CHILD PROTECTION AND FAMILY VIOLENCE PREVENTION ACT GRANT PROGRAMS

*Recommendation.*—Appropriate \$40 million to the Indian Child Abuse Treatment grant program (\$10 million) and the Indian Child Protection and Family Violence Prevention grant program (\$30 million).

The Indian Child Abuse Treatment grant program is currently authorized at \$10 million and the Indian Child Protection and Family Violence Prevention grant program at \$30 million (25 U.S.C. § 3208 and 3210). Yet these grant programs have never received any appropriations. The BIA, which has oversight authority over these programs, has not made a budget request in more than 10 years.

11.0 of 1,000 AI/AN children were abused or neglected in 2011. This compares to 7.8 of 1,000 for white children and 14.6 of 1,000 for African-American children.<sup>5</sup> Further, AI/AN women are more likely than any other single racial group to experience intimate partner violence (IPV, also known as domestic violence; 39 percent of AI/AN women report having experienced IPV at some point in their lives).<sup>6</sup> These findings underscore the need for tribal access to family violence prevention funding that takes into account the relationship between child maltreatment and domestic violence, such as the Indian Child Protection and Family Violence Prevention grant program, which remains unfunded.

In addition, tribes lack access to resources that provide for targeted treatment of AI/AN children who have experienced child abuse or neglect. When children who have faced maltreatment are unable to access mental health services, the residual effects of trauma can continue for many years and greatly affect their mental, physical, and social well-being—costing families and society a great price. The Child Abuse Prevention and Treatment Act (CAPTA), reauthorized in 2010 (Public Law 111–320), is the only Federal law focusing solely on prevention, assessment, identification, and treatment of child abuse and neglect. Yet it contains no funding for tribes to address these critical public health issues, other than a small \$277,000 per year program that only funds two tribes. The unfunded Indian Child Abuse Treatment grant program, if funded, would fill this void.

<sup>2</sup>Summers, A., Wood, S., & Russell, J. (2012). Technical Assistance Bulletin: Disproportionality rates for children of color in foster care. National Council of Juvenile and Family Court Judges: Reno, Nevada.

<sup>3</sup>National Indian Child Welfare Association & Pew Charitable Trusts (2007). *Time for reform: A matter of justice for American Indian and Alaska Native children*. Philadelphia, Pennsylvania: Pew Charitable Trusts. Retrieved from <http://www.nicwa.org/government/time-for-reform.pdf>.

<sup>4</sup>United States Government Accountability Office (2005). *Indian Child Welfare Act: Existing information on implementation issues could be used to target guidance and assistance to states*. (GAO Publication No. 05–290.) Washington, DC.

<sup>5</sup>U.S. Department of Health and Human Services, Administration for Children and Families, Administration on Children, Youth and Families, Children's Bureau (2011). *Child Maltreatment 2010*.

<sup>6</sup>Black, M. C., & Breiding, M. J. (2008). Adverse health conditions and health risk behaviors associated with intimate partner violence—United States, 2005. *Morbidity and Mortality Weekly Report* 57(5), 113–117. Atlanta, Georgia: Centers for Disease Control and Prevention.

ICWA, TITLE II FUNDING FOR ON-RESERVATION CHILD WELFARE SERVICES GRANT PROGRAM

*Recommendation.*—Increase appropriations for ICWA, title II tribal grant program by \$10 million for an approximate total of \$30 million in ICWA funding for tribal child welfare programs.

There is no specific authorization amount included in the legislation. However, its legislative history indicates that Congress estimated at least \$26 million would be needed to fully implement this grant program for tribes in 1978 (25 U.S.C. 1932). The ICWA, title II Funding for On-Reservation Child Welfare Services grant program began just after the passage of the law in 1979. During the first 14 years, the grant program was a competitive grant process. During these years, the appropriated funding never exceeded \$17 million and less than one-third of all tribes received ICWA, title II dollars. In fiscal year 1994, Congress appropriated \$25 million for the grant program, which allowed the BIA to make it a noncompetitive grant program for the first time. Now almost every tribe receives this funding. However, almost two-thirds of tribes receive less than \$30,000 per year to support essential child welfare services. Since fiscal year 1994, the overall appropriations for this program have actually decreased by approximately \$6 million.<sup>7</sup>

Tribal child welfare programs work with some of the most at-risk and needy families in America, and in spite of this, have access to fewer resources than their State counterparts. For this reason, ICWA funding continues to be the base funding for most Indian child welfare programs. But in order to provide the most effective services, the small amount of ICWA, title II dollars given to a tribe is divided between child protective services, family reunification and rehabilitation, case management, foster care recruitment and retention, and adoption services.

When ICWA was passed, Congress estimated that \$26 million–\$62 million was required to fully fund tribal child welfare programs for all interested tribes on or near reservations during the first 4 years of the grant program.<sup>8</sup> The current funding level is well below \$26 million. An allocation increase from the fiscal year 2012 level of \$10 million will provide a level of funding which will increase tribal capacity to serve their children within their jurisdiction and partner more fully with States to improve outcomes for tribal children in State child welfare systems.

ICWA, TITLE II FUNDING FOR OFF-RESERVATION CHILD WELFARE SERVICES GRANT PROGRAM

*Recommendation.*—Reestablish the Off-Reservation Indian Child Welfare Program under title II of ICWA funded at \$5 million.

There is no specific authorization amount identified in the legislation (25 U.S.C. 1932). However, starting the year after ICWA's passage (fiscal year 1979) and lasting until fiscal year 1996, the BIA requested funds for the grant program within the Special Projects and Pooled Overhead portion of its budget separate from tribal ICWA, title II funds. The ICWA Off-Reservation competitive grant program appropriated \$1.5 million–\$2 million over the course of these years, which funded several key programs within urban areas with higher densities of AI/AN children and families.

ICWA does not make a distinction between which Indian children should benefit from the act. It is designed to provide protections to AI/AN children and families regardless of where they reside and therefore authorizes grant funding under title II for Off-Reservation ICWA programs as well as the On-Reservation programs discussed above. In 1970, 38 percent of AI/AN individuals lived off-reservation<sup>9</sup>; in the 2010 census, 67 percent of all individuals who identified as AI/AN alone lived off-reservation; and 78 percent of all individuals who identified as AI/AN and another race(s) lived off-reservation.<sup>10</sup> Indian children living outside of their tribal commu-

<sup>7</sup>Budget documents provided by the BIA only show enacted funds of \$10.85 million for the most recent fiscal year (fiscal year 2012). Self-governance tribes, which comprise an increasing number of the total number of tribes, receive their share of these funds through a separate budget allocation mechanism for which the BIA does not provide specific numbers. However, the number of tribes receiving these funds and reported levels has not significantly changed over the last 10 years, which supports the assumption that the total enacted appropriation for this program is closer to \$20 million.

<sup>8</sup>U.S. Senate Report 95–597, page 19.

<sup>9</sup>National Urban Indian Family Coalition (2008). *Urban Indian America, The Status of American Indian and Alaska Native Families Today: A Report to the Annie E Casey Foundation*. Washington: Seattle.

<sup>10</sup>Norris, T., Vines, P. & Hoefel, E. M. (2012). *2010 Census Briefs: The American Indian and Alaska Native Population 2010*. U.S. Census Bureau: Washington, DC.



nity are some of the most vulnerable Indian children given the challenges they face in staying connected to their culture and kinship networks.

When funded, the ICWA, title II Off-Reservation grant program ensured that AI/AN children and families living in urban areas received the protections of ICWA and States had additional expertise and culturally appropriate services available to them. Specific services typically provided by ICWA, title II Off-Reservation programs included recruitment of AI/AN foster care homes, case management, identification of at-risk families for services, and in-home services that help children stay in their homes or be reunified with their parents safely.

With an increasing number of AI/AN individuals living off-reservation, reinstating this funding would provide support to urban areas and other areas off-reservation where there is pronounced AI/AN density.

#### CHILD ASSISTANCE FUNDS

*Recommendation.*—Increase Child Assistance appropriation request by \$10 million to \$35 million.

Child Assistance Funds are provided through the Tribal Priority Allocations line item and authorized under the Snyder Act (25 U.S.C. § 13). Historically, appropriations have never exceeded \$31 million and in fiscal year 2012, the enacted level was \$24.2 million.

These funds are critical because tribal governments have a responsibility to support the placements of AI/AN children under their jurisdiction that live on tribal lands and cannot safely remain in their homes. These funds are available to tribes to provide basic payments to support foster care, guardianship, and adoptive placements. Without these funds, tribes would have to place children in unsubsidized foster care, which often places a strain on those individuals—many of whom have few resources—willing to care for children who would otherwise have no home. Aside from title IV–E, a program that is not feasible for every tribe, tribes have no other source of funding to support out-of-home placements that occur on-reservation.

In addition, tribes that are now pursuing administration of the title IV–E program—which requires a significant tribal match to support program services and placements—will need some portion of these BIA funds to continue to serve tribal children who are not title IV–E eligible, as well as to help meet the title IV–E matching requirements.

While these funds are critical to tribes that receive them, not all tribes that need these funds have access to them. The BIA continues a policy of not making these funds available to tribes that they deem have access to other, similar types of services. This policy has created huge gaps in the ability of tribes to provide necessary child welfare services to their citizens that are under their jurisdiction and responsibility. It is for this reason that the allocations should be increased from \$25 million to \$35 million so that all tribes providing child welfare services can subsidize their out-of-home placements.

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#### PREPARED STATEMENT OF THE NORTHWEST INDIAN FISHERIES COMMISSION

Mr. Chairman and members of the subcommittee, thank you for the opportunity to provide written testimony on the fiscal year 2014 Interior, Environment and Related agencies appropriations. My name is Billy Frank, Jr. and I am the Chairman of the Northwest Indian Fisheries Commission (NWIFC). The NWIFC is comprised of the 20 tribes that are party to the *United States v. Washington*<sup>1</sup> (*U.S. v. Washington*). To meet the many natural resources management responsibilities required of the tribes, I submit the following requests for the Bureau of Indian Affairs and the Environmental Protection Agency.

#### SUMMARY OF FISCAL YEAR 2014 APPROPRIATIONS REQUEST

##### *Bureau of Indian Affairs*

Provide \$17.146 million for Western Washington Fisheries Management.

Provide \$3.082 million for Washington State Timber, Fish and Wildlife.

Provide \$4.844 million for United States/Canada Pacific Salmon Treaty Implementation.

Provide \$2.4 million for Salmon Marking.

Provide \$6.843 million for Fish Hatchery Maintenance.

Provide \$2.6 million for Fish Hatchery Operations.

<sup>1</sup>*United States v. Washington*, Boldt Decision (1974) reaffirmed Western Washington Tribes' treaty fishing rights.

Provide \$230 million for Contract Support.  
 Provide \$10 million for Landscape Conservation.  
 Provide \$725,000 for Watershed Restoration.

*Environmental Protection Agency*

Provide \$96.375 million for General Assistance Program.  
 Provide \$50 million for Puget Sound.

TREATY RIGHTS AT RISK AND THE FEDERAL TRUST OBLIGATION

Last year we brought to your attention an initiative that we have been pursuing—our Treaty Rights at Risk (TRAR) initiative. The treaty rights of the western Washington treaty tribes are in imminent danger. Salmon are critical to the tribal cultures, traditions and their economies. The treaty-reserved right to harvest salmon continues to decline due to ongoing loss of habitat. All of this is due to the inability to restore salmon habitat faster than it is being destroyed. Wild salmon and their habitat continue to decline despite massive reductions in harvest and a significant investment in habitat restoration.

The Federal Government has a fiduciary responsibility and an obligation to protect these treaty-reserved natural resources. This obligation is met through policy and funding support that is provided to tribes to allow them to perform the necessary management responsibilities to protect these resources. Without this continued support the treaties will have no meaning as these natural resources disappear. The tribes' treaties are constitutionally protected and have been confirmed by the Federal courts, including the U.S. Supreme Court. As a signer to these treaties, the Federal Government has an ongoing, non-discretionary obligation to provide adequate funding to the tribes to allow them to protect and preserve these treaty rights.

On behalf of our 20 member tribes, I am providing our fiscal year 2014 natural resources management funding requests for the Bureau of Indian Affairs (BIA) and the Environmental Protection Agency (EPA). We are pleased that the fiscal year 2014 President's budget continues to be supportive of the northwest natural resources funding requests. In addition to our specific requests described below, we also support the budget priorities and funding requests of the National Congress of American Indians.

JUSTIFICATION OF REQUESTS

*Bureau of Indian Affairs*

*Provide \$17.146 million for BIA Western Washington Fisheries Management.*—Over the past several years, the tribes and the NWIFC have requested an increase of \$12 million in the base Western Washington program. The increase in fiscal year 2010 was very much appreciated, however, we once again ask Congress to address the remaining identified needs of the NWIFC and our member tribes. The President's fiscal year 2014 budget contains \$9.613 million. We respectfully request \$17.146 million. Funding for this program allows for continued treaty harvest management, population assessment, habitat protection and data gathering for finfish, shellfish, groundfish, wildlife and other natural resource management needs. Funds provide the necessary capacity for the treaty tribes to co-manage the resources with the State of Washington and to meet court required mandates.

*Provide \$3.082 million for BIA Washington State Timber-Fish-Wildlife.*—The congressional increase to Rights Protection Implementation in fiscal year 2010 of \$12 million was allocated to all programs within this subactivity including the Washington State Timber-Fish-Wildlife (TFW) program. The President's fiscal year 2014 budget contains \$3.082 million. We support funding this account at \$3.082 million. Funding for this program is provided to improve forest practices on State and private lands while providing protection for fish, wildlife and water quality. This will provide the necessary funding to tribal TFW programs to fully participate in the TFW process.

*Provide \$4.844 million for BIA United States/Canada Pacific Salmon Treaty Implementation.*—The Pacific Salmon Treaty (PST) Act of 1985 charges the United States Section of the Pacific Salmon Commission with the responsibility for implementation of the PST, a bilateral treaty with Canada. Tribes assist in meeting the Federal Government's obligations in implementing the treaty by participating in cooperative research and data gathering programs. The President's fiscal year 2014 budget contains \$4.844 million. We support funding this account at \$4.844 million. This will provide sufficient funding to ensure that the tribes can continue to participate effectively in the bilateral PST process.

*Provide \$2.4 million for BIA Salmon Marking.*—Funding for this program is required to meet the 2003 mandate by Congress that required all salmon released

from federally funded hatcheries be marked so they could be uniquely identified. This allows tribes to mark salmon at tribal hatcheries and to use these marked fish to scientifically monitor salmon populations and watersheds in western Washington. The President's fiscal year 2014 budget contains \$1.171 million. We respectfully request \$2.4 million. This amount is required to fully implement more extensive selective fisheries targeted at these marked fish. This request is also important in part because marking costs are increasing as tribal hatchery production continues to increase.

*Provide \$6.843 million for BIA Fish Hatchery Maintenance.*—Tribal fish hatcheries in western Washington are part of the largest fish hatchery system in the world. These hatcheries provide fish that significantly contribute to both non-Indian recreational and commercial harvest, as well as for tribal fisheries. The President's fiscal year 2014 budget contains \$6.843 million. We support funding this account at \$6.843 million. Funding for this program is provided to tribes nationwide based on the ranking of annual maintenance project proposals. Today, hatcheries also play a large role in recovering pacific salmon, many of which are listed under the Endangered Species Act. A comprehensive needs assessment study was conducted in fiscal year 2006 by the BIA at the request of Congress which identified a level of need of over \$48.0 million in necessary hatchery maintenance and rehabilitation costs.

*Provide \$2.6 million for BIA Fish Hatchery Operations.*—Funding for this program is provided to tribal hatcheries to support the rearing and releasing of salmon and steelhead for harvest by Indian and non-Indian fisheries. The President's fiscal year 2014 budget contains \$1.85 million. We respectfully request \$2.6 million. This increase reflects the needs of the western Washington treaty tribes. Hatcheries are a necessary part of fisheries management because of the lack of wild salmon production due to habitat degradation. Without hatcheries tribes would have very few fisheries and their treaty rights would be rendered meaningless.

*Provide \$230.0 million for BIA Contract Support.*—Funding for this function is provided to tribal organizations to ensure they have the capacity to manage Federal programs under self-determination contracts and self-governance compacts. Historically Indirect Contract Support has been drastically underfunded, yet this is a critical funding source as it directly supports our governmental functions, which allow us to fully exercise our right to self-govern. The President's fiscal year 2014 budget contains \$230 million. We support funding this account at \$230.0 million, assuming this covers 100 percent of need. Direct Contract Support is also an important piece of this funding.

*Provide \$10 million for BIA Cooperative Landscape Conservation.*—Funding for this program will provide the tribal capacity needed to develop adaptation mechanisms to adjust to environmental challenges. The President's fiscal year 2014 budget contains \$10 million. We support funding this account at \$10 million, of which \$2 million is respectfully requested for the western Washington treaty tribes. This will allow tribes to provide their perspective on climate change adaptation in the form of traditional ecological knowledge necessary to protect their treaty rights.

*Provide \$725,000 for BIA Watershed Restoration.*—Funding for this program supports our Salmon and Steelhead Habitat Inventory and Assessment Program. The fiscal year 2012 appropriations provided a total of \$390,000 to western Washington treaty tribes. We respectfully request \$725,000 for the Northwest Indian Fisheries Commission. This will allow us to continue to provide environmental data management, analysis, and reporting support to our member tribes. These services and functions would continue to support our tribes' ability to adequately participate in watershed resource assessments and salmon recovery work.

#### *Environmental Protection Agency*

*Provide \$96.375 million for EPA General Assistance Program.*—This funding has built essential tribal capacities and remains critical to the tribes' ability to sustain their important water quality programs. The President's fiscal year 2014 budget contains \$72.631 million. We respectfully request \$96.375 million. Funding for this program continues to provide the capacity for tribal environmental protection programs nationwide. This allows tribes to address their most fundamental needs such as inadequate drinking water and basic sanitation.

*Provide \$50 million for EPA Puget Sound.*—The Puget Sound Geographic Program provides essential funding that will help protect, restore and enhance Puget Sound. Tribes will continue to seek funding from this EPA account, in coordination with the Puget Sound Partnership. Such funding will allow the tribes to participate in the necessary scientific work, implementation measures, and policy discussions on issues that affect our treaty rights. The President's fiscal year 2014 budget contains \$17.15 million. We respectfully request \$50 million. Funding for this initiative

allows tribes to participate in implementing the Puget Sound Action Agenda and a wide range of projects aimed at improving the health of Puget Sound by 2020.

#### CONCLUSION

The treaties and the treaty-reserved right to harvest are the supreme law of the land under the U.S. Constitution. Some of the treaty tribes have had to give up even their most basic ceremonial and subsistence fisheries. Tribes are key partners in the management of natural resources by virtue of treaty-reserved rights and the legal status as co-managers.

We are sensitive to the budget challenges that Congress faces. However, we believe the management work that we perform to protect our valuable resources and to help fulfill the trust obligation of the Federal Government continues to be worthy of your support. We urge you to support our funding requests. Thank you.

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#### PREPARED STATEMENT OF THE NATIONAL INSTITUTES FOR WATER RESOURCES

Chairman Reed and Ranking Member Murkowski, I am Reagan Waskom, Director of the Colorado Water Institute at Colorado State University. Thank you for this opportunity to submit this statement on behalf of National Institutes for Water Resources (NIWR), the organization that collectively represents the State water resources research institutes. My statement is in support of an appropriation of \$6,490,000 for the Water Resources Research Act programs as part of the fiscal year 2014 U.S. Geological Survey's budget.

The Water Resources Research Act (42 U.S.C. 10301 et seq.) establishes a Federal-State-university partnership in water resources research, education, and information transfer and dissemination. There are a total of 54 Water Resources Research Institutes located at the land grant universities of the 50 States, as well as in the District of Columbia, the Virgin Islands, Puerto Rico, and Guam. The act authorized this State-based network of institutes dedicated to solving problems of water supply and water quality in partnership with universities, local governments and the general public. It is the only federally authorized research network that focuses on applied water resources research, education, training and outreach. The institutes are a direct, vital link between Federal water interests and needs and the academic expertise located within the States' research universities. It provides a mechanism for ensuring State, regional and national coordination of water resources research, the education of future water professionals, and the transfer of results and outcomes to State and Federal water professionals. The matching requirements of the program ensure that States invest in water research and training.

The Water Resources Research Act established two grant components of the USGS Water Resources Research Institutes program. The first component is the base grant program which is divided equally among the institutes. The act requires that each Federal dollar must be matched by two non-Federal dollars. Federal funds cannot be used to pay indirect costs at the universities. This is the strictest match requirement of any Federal research program. Each Institute uses these funds to leverage research and/or student training through a statewide competitive grants process. In fiscal year 2013, each Institute received \$92,335, an appropriation of approximately \$5.2 million for the base program. NIWR respectfully requests the subcommittee provide the same funding for these State-based water supply research seed grants, technology transfer, professional education, and outreach to the water-user community by the institutes.

The second grant component is a national competitive grants program that has the objective of supporting research on water resources problems that are regional or national in nature. Last year this program received 46 applications, which underwent rigorous peer review from a national panel. This panel selected a total of six projects from Alabama, Iowa, Minnesota, New York, Oregon and West Virginia.

My institute, the Colorado Water Institute, collaborates closely with the Colorado Water Conservation Board, Colorado's primary water policy agency, to conduct applied research, provide public education and train students through internships. An example of this partnership is the South Platte Basin which is the most populous and water-short region of the State and recently has been struggling with optimizing the conjunctive use of surface and groundwater. The Colorado legislature has commissioned CWI to conduct a comprehensive analysis of groundwater management to determine if current management is causing high water tables causing crop damage and flooded basements. In addition to analyzing data, CWI is working to bring well users and surface users into productive dialogue to find solutions to benefit both.

Another partnership with the Colorado Water Conservation Board includes providing drought support to the State, agricultural producers, and Colorado's Drought Task Force during the 2012 drought by serving as the Co-Chair of the Agriculture Drought Task Force and serving on the Colorado Governor's Water Availability Task Force. In addition to regular communication across the agencies, we provided online and printed factsheets and information resources, held local drought meetings for stakeholders, helped producers with crop insurance claims, held drought information tours for State officials, helped organize the State's 2012 drought conference, and handled stakeholder requests. The 2013 crop season is once again looking as though drought will be a problem for cities and agriculture, and we are ramping up our capacity to respond to critical information and coordination needs.

Through the Water Resources Research Act, the institutes, in coordination with State extension services, specialize in identifying problems within their States, developing solutions to those problems, and engaging with the public to implement those solutions. The act's greatest strength is that the research funded by each Institute is tailored to that State's needs, based on priorities set by consultation with an advisory panel. The following are several examples of research conducted by institutes across the country.

Gainer Dam is the largest and most important in Rhode Island since it retains the waters of the Scituate Reservoir, the source clean water for more than 60 percent of the State's population. Although Rhode Island is not in a zone of high seismic activity, there is still risk from earthquakes and the performance of the Gainer Dam in an extreme seismic event is uncertain. The Rhode Island Water Resources Center is performing a seismic evaluation of the Gainer Dam including analyses of dynamic response, liquefaction potential, stability, and deformation to evaluate the resiliency of the structure. The analysis will provide guidance to retrofit the structure of the dam for seismic resistance, which is of the utmost in importance since a catastrophic failure of the dam would result in loss of life and an extreme disruption of the supply of clean water for Rhode Island.

Alaska's Water and Environmental Research Center (WERC) is collaborating with the Alaska Department of Transportation and Public Facilities to collect hydrologic information critical for the planning, design, and permitting of new transportation corridors. Planned roadways intended to spur resource development such as the roads to Umiat and Ambler will cross hundreds of miles of undeveloped territory, and will by necessity cross numerous rivers and streams. Due to the remote location of these rivers, however, scant hydrologic data is presently available to inform the design and permitting of new bridges and culverts. Without additional hydrologic information, these bridges and hence these transportation corridors, will not be built. Drawing upon decades of remote Arctic field experience, WERC researchers observe and evaluate stream flow, ice conditions, and a host of other parameters critical to bridge and culvert design at key locations along Alaska's planned transportation corridors.

The New Mexico Water Resources Research Institute hosted its 57th annual water conference in August 2012. The conference titled "Hard Choices: Adapting Policy and Management to Water Scarcity" drew a record crowd of more than 500 participants. Following the conference, a workshop of diverse water policy experts was held to record policy options derived from the conference discussion. Workshop stakeholders included agricultural, municipal, environment, local, State, Federal and tribal representatives. A report was issued with policy options for consideration by the public and policymakers. This report provides policymakers an important resource as New Mexico adapts to its ongoing drought and a future where drought may become more frequent in New Mexico and the region. It is an example of the role New Mexico's water institute plays in supporting collaboration across all sectors to bring about solutions to its pressing water problems.

The Mississippi Water Resources Research Institute is working to improve a 35 square mile coastal watershed located in Hancock County, Mississippi. The prosaically named Rotten Bayou drains into the Bay St. Louis, an embayment of the Gulf of Mexico. The area is under pressure from population growth, urbanization, and agricultural practices such as cattle farming. The watershed has been identified by the Mississippi Department of Environmental Quality (MDEQ) as having impairments such as low dissolved oxygen, turbidity, and excessive nutrient loads. The WRRRI, with the assistance of faculty at Mississippi State University and MDEQ, has developed a project to assist the newly formed town of Diamondhead to identify structural and non-structural Best Management Practices that will help improve water quality in Rotten Bayou. The successful completion of the project has design and policy implications for the entire Mississippi Gulf Coast metropolitan area.

The Institute for Water and Watersheds at Oregon State University has experimented with new ways to diversify its by creating what is termed "just-in-time"

white papers or short You-Tube videos on topics of interest. For example, white papers have been developed on the notion of water markets in Oregon, bottled water in Oregon, the importance of water to the multi-billion dollar per year Oregon wine industry, and climate change and Oregon water. Videos on water sustainability and greywater reuse in Oregon, biochar derived from forest products for treatment of Oregon stormwater, and community management of deep groundwater in Northeastern are readily available for review. New projects will focus on arsenic in groundwater in eastern Oregon using funds bequeathed to the Institute for Water and Watersheds.

In a study of forest management and water yields, in collaboration with several nonprofit agencies, California Institute for Water Resources researchers are undertaking a three-part, multi-year, multi-disciplinary project to research and assess issues related to climate change, vegetation manipulation and the forest water cycle in the Sierra Nevada Mountains. The Sierras harbor globally distinctive forest resources that deliver hydropower and water supply to downstream users in California and elsewhere. Observational and high resolution modeling studies of snowpack and water, utilizing data collected since 1930, paints a picture of significant decreases in snowpack and runoff in the Sierra Nevada Mountains due to increased greenhouse gases. By the mid-21st century, considerable decreases in snow water equivalence are projected. This CIWR research will continue to run atmospheric models to predict water resources in California.

The Total Maximum Daily Load (TMDL) requirement (known as a “pollution budget”) requires actions at all levels—watershed, State, county, municipality, and landowner—to reduce the flow of nutrients and sediments to the Chesapeake Bay. Studies supported by the Maryland Water Resources Research Center are advancing understanding of where pollutants come from and effectiveness of corrective approaches at different scales. One study is looking at legacy mill dam sediments left in rivers and their floodplains from the time when water mills were the region’s power grid. Another is investigating how nitrogen compounds are transported and transformed in streams in agricultural Eastern Shore watersheds. The Center is also supporting the work of graduate students investigating the effectiveness of best management practices (watershed restoration and green roofs) in decreasing damaging runoff from urban areas.

The Alabama Water Resources Research Institute at Auburn University hosted the annual Alabama Water Resources Conference, which had more than 300 participants, and the Alabama Water Resources Association Symposium. Other recent outreach activities included the Lake Martin State of the Watershed Conference and the Apalachicola-Chattahoochee-Flint (ACF) Stakeholders Conference. The institute assisted City of Auburn to develop water resources portion of CompPlan2030, and Auburn University to develop the campus storm water management plan. It provided technical assistance to the Alabama Joint Legislative Committee on Water Management and Policy and Developed in developing a science-based “rivers as systems” conceptual framework for comprehensive, sustainable water policy and management.

For almost five decades the Water Resources Research Institutes have provided research results and impacts to our Nation, and proved successful at bringing new water professionals into the workforce. NIWR recommends the subcommittee provide \$6,490,000 to the USGS for the Water Resources Research Institute Program for fiscal year 2014.

The water institute directors recognize the fiscal challenges facing the Nation and Congress, but we want to support the USGS Coalition request that Congress appropriate at least the \$1.167 billion requested for the USGS in fiscal year 2014, a level that will support critical USGS programs that improve the Nation’s environment, health, safety, quality of life, and future economic growth.

Thank you on behalf of all the Institute directors for the opportunity to submit our statement to the subcommittee and for your continuing support of the Water Resources Research Act program.

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PREPARED STATEMENT OF THE NEW MEXICO INTERSTATE STREAM COMMISSION

*Summary.*—This statement is submitted in support of fiscal year 2014 appropriations for Colorado River Basin salinity control activities of the Bureau of Land Management. I urge that at least \$5.2 million be appropriated for the Bureau of Land Management within the Soil, Water, and Air Program for general water quality improvement efforts in the Colorado River Basin, and an additional \$1.5 million be appropriated specifically for salinity control related projects and studies.

## STATEMENT

The Colorado River Basin Salinity Control Forum (Forum) is comprised of representatives of the seven Colorado River Basin States appointed by the respective Governors of the States. The Forum has examined the features needed to control the salinity of the Colorado River. These include activities by the States, the Bureau of Reclamation, the Department of Agriculture, and the Bureau of Land Management (BLM). The Salinity Control Program has been adopted by the seven Colorado River Basin States and approved by the Environmental Protection Agency as a part of each State's water quality standards.

About 75 percent of the land in the Colorado River Basin is owned, administered or held in trust by the Federal Government. The BLM is the largest land manager in the Colorado River Basin, and manages public lands that are heavily laden with naturally occurring salt. When salt-laden soils erode, the salts dissolve and enter the river system, affecting the quality of water used from the Colorado River by the Lower Basin States and Mexico.

I support past Federal legislation that declared that the Federal Government has a major and important responsibility with respect to controlling salt discharge from public lands. Congress has charged the Federal agencies to proceed with programs to control the salinity of the Colorado River Basin with a strong mandate to seek out the most cost-effective solutions. The BLM's rangeland improvement programs are some of the most cost-effective salinity control measures available. In addition, these programs are environmentally acceptable and control erosion, increase grazing opportunities, produce dependable stream run-off and enhance wildlife habitat.

The water quality standards adopted by the Colorado River Basin States contain a plan of implementation that includes BLM participation to implement cost effective measures of salinity control. BLM participation in the salinity control program is critical and essential to actively pursue the identification, implementation and quantification of cost effective salinity control measures on public lands.

Bureau of Reclamation studies show that quantified damages from Colorado River salinity to United States water users are about \$376 million per year. Modeling by Reclamation indicates that these quantified damages would increase to \$577 million per year by 2030 if the Salinity Control Program was not continued. Unquantified damages already increase the total damages significantly.

Control of salinity is necessary for the Basin States, including New Mexico, to continue to develop their compact-apportioned waters of the Colorado River. The Basin States are proceeding with an independent program to control salt discharges to the Colorado River, in addition to cost sharing with Bureau of Reclamation and Department of Agriculture salinity control programs. It is vitally important that the BLM pursue salinity control projects within its jurisdiction to maintain the cost effectiveness of the program and the timely implementation of salinity control projects that will help avoid unnecessary damages in the United States and Mexico.

At the urging of the Basin States, the BLM has created a full time position to coordinate its activities among the BLM State offices and other Federal agencies involved in implementation of the salinity control program. The BLM's budget justification documents have stated that BLM continues to implement on-the-ground projects, evaluate progress in cooperation with the Bureau of Reclamation and the Department of Agriculture, and report salt retention measures to implement and maintain salinity control measures of the Federal salinity control program in the Colorado River Basin. The BLM is to be commended for its commitment to cooperate and coordinate with the Basin States and other Federal agencies. The Basin States and I are pleased with the BLM administration's responsiveness in addressing the need for renewed emphasis on its efforts to control salinity sources and to comply with BLM responsibilities pursuant to the Colorado River Basin Salinity Control Act, as amended.

To continue these efforts, I request the appropriation of at least \$5.2 million in fiscal year 2014 for general water quality improvement efforts in the Colorado River Basin by the BLM within the Soil, Water, and Air Program, and that an additional \$1.5 million be appropriated specifically for salinity control related projects and studies. I appreciate consideration of these requests. I fully support the statement of the Colorado River Basin Salinity Control Forum submitted by Don Barnett, the Forum's Executive Director, in request of appropriations for BLM for Colorado River salinity control activities.

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PREPARED STATEMENT OF THE NATIONAL PARKS CONSERVATION ASSOCIATION

Mr. Chairman, Ranking Member Murkowski, and members of the subcommittee, I am Tom Kiernan, president of the National Parks Conservation Association

(NPCA). I appreciate the opportunity to testify on behalf of our more than 750,000 members and supporters from every State and congressional district to provide our views regarding appropriations for the National Park System for the upcoming fiscal year. Founded in 1919, NPCA is the leading, independent, private voice in support of promoting, protecting and enhancing America's national parks for people from all walks of life to learn from, be inspired by and enjoy—now and on into the future.

We testify during a very challenging time for the National Park Service and the appropriations process, as you know all too well. I want to first acknowledge the very significant challenges you have had to face as you have seen your allocation dwindle and have had to implement the sequester that reduced funding for programs that I know you realize are important and support. We recognize as well the challenge in meeting the substantial needs for fire suppression in the West and hope that you can work with the House to reach a final bill this year that can prevent fire needs from eating into other needed investments in the Interior bill.

NPCA is working on several levels to encourage Congress and the administration to come together on a broad solution that addresses the real drivers of the deficit, which certainly are not the discretionary programs in the Interior appropriations bill. We recognize that until and unless such a deal is struck, it will be a continuous struggle to provide national parks with the funding they need, that park visitors and communities deserve, and that the American people support—as we know from polling that we've already shared with you showing broad bipartisan support for national park funding. We continue to encourage Congress and the administration to put everything on the table in an effort to secure a truly meaningful, worthwhile compromise on the deficit. Yet here we are in a situation that we all had hoped would never come to pass, with sequestration in place, and a final fiscal year 2013 continuing resolution that cut park funding even more than sequester-mandated levels. We are also concerned that the fiscal year 2014 House budget sharply cuts discretionary spending; if that budget were implemented, it would further challenge this committee's effort to meet the needs of our national parks. Conversely, we are grateful for the Senate budget's recognition of the importance of park investments, yet we are concerned about the vast divide between these two documents.

The hard reality for national parks is that they are experiencing deep impacts from the sequester and other continuing reductions, and this year—2013—will be the most challenging in some time for park superintendents. As you know, the final fiscal year 2013 levels came on top of 2 prior years of budget cuts for the park service. Since fiscal year 2010, park operations have declined by an estimated \$300 million—or nearly 13 percent—in today's dollars. We know that you understand the importance of funding the operations of our national parks, but it is worth taking a moment to summarize the damaging impact these cuts are having in every park across the country.

As you know, the situation at every park is different, and the impacts of the sequester vary park-by-park. In Maine, Acadia is delaying completely opening the park by a full month, with reduced staff and visitor center hours as well. At Blue Ridge Parkway, the most visited unit in the system, more than 400 campsites will be closed, in addition to picnic areas and visitor centers. Denali National Park and Preserve in Alaska will go without—among other positions lost through attrition—six maintenance staff, despite a deferred maintenance backlog there that has grown to nearly \$50 million. And finally, at Mammoth Cave National Park in Kentucky, there will be 15 fewer staff this year, and fewer rangers will be available in the main campground to assist visitors. There will also be fewer cave tours, such that an estimated 28,000 people will not be able to visit Mammoth Cave as a result.

Overall, there will be nearly 2,000 fewer staff in our national parks this year to protect the amazing resources that have inspired visitors for nearly 100 years, and to provide a safe and enjoyable experience for the nearly 300 million annual park visitors from across our Nation and the world.

A few weeks ago, I read the story of outfitters at Delaware Water Gap National Recreation Area, which is among the most visited park service units. Outfitters in gateway communities were expressing concern over the National Park Service's decision to close several access points to the river, a cutback in services that is likely to make a canoe trip downriver lengthy enough to discourage many families from visiting. Canoe livery owners predicted the access closures could decrease business by 25 percent. The superintendent responded by outlining the very real constraints to his budget as a result of the annualized across-the-board cut of 5 percent to park budgets that has resulted from the sequester. This is just one of many stories, and we worry what will happen to countless local businesses this summer and families looking forward to their park visits—an experience of a lifetime for so many of them—when facilities are closed and rangers are not there to greet people and ensure they have a safe and inspiring visit.



Recently, nearly 300 businesses whose livelihood is threatened by reductions in park budgets wrote to the President and congressional leaders outlining their concerns about funding for national parks. It reminds us that in addition to their importance to the American way of life and experience, national parks are economic engines that support a quarter-million American jobs and contribute some \$30 billion to the national economy annually.

It appears that national parks have no choice but to weather these cuts this year, but it is clear that many of the ways in which savings are being found are not sustainable. Half of the savings is through attrition; but as many superintendents have acknowledged, operating a park with insufficient staff can be managed in the short term, but the strategy cannot be sustained over the long run. As you begin to deliberate on fiscal year 2014 funding, we should be clear that if these cuts are sustained for any amount of time, we will begin to see more significant damage to resource protection, as well as visitor services. Without some relief, less costly—but needed—maintenance will go undone, leading to much more costly repair needs over the long term. You can delay changing the brake pads on your car for a year; however, eventually you will not only have to replace the pads but the rotors as well because they've become damaged for lack of maintenance, costing more in the long run and compromising safety in the meantime.

Of course, there are impacts from cuts to all the accounts, not just park operations. The loss of 70 percent of the construction budget over the last decade in today's dollars is leading the deferred maintenance backlog to approach \$12 billion, with no relief in sight. Historic grant programs have been substantially reduced over the years, compromising opportunities to protect and interpret our unique and important American story, and undermining opportunities for heritage tourism. The Land and Water Conservation Fund has been suffering setbacks despite its importance as a conservation tool.

Mr. Chairman, we are doing more than complaining about budget reductions. Looking toward the Centennial of the National Park System in 2016, in March we helped convene a symposium hosted by the respected Bipartisan Policy Center to discuss creative ideas for supplemental funding sources for the Park Service. We realize the fiscal climate will continue to be challenging and that no stone should be left unturned in securing the resources the parks need. We will be focusing on implementing a handful of the most promising of these ideas to supplement—but not replace—appropriations. In the meantime, though, the parks are losing ground.

This subcommittee has a long history of engagement with NPS fee revenue, having been active in the formulation of Fee Demo and the Federal Lands Recreation Enhancement Act (FLREA). Without congressional action, FLREA, along with the NPS's authority to retain fees, will expire next year. It is imperative that fee retention authority not be allowed to expire, and NPCA looks forward to working with the subcommittee and with the authorizing committees to reauthorize and improve this important legislation.

Restructuring national park fees is one of several supplemental funding ideas that we are exploring. With a decline of the Park Service budget since fiscal year 2002 of now 22 percent in today's dollars, parks desperately need fee dollars in addition to every penny this subcommittee is able to provide.

The President's budget appears to be an important step in the right direction, yet not enough to meet the needs of park base operations. The budget very importantly would undo the sequester and provide a modest \$57 million above fiscal year 2012 in overall discretionary funding for the National Park Service. However, the proposal provides for some important priorities reflected by this increase in part through reductions to park base operations, with a total loss of nearly 100 full time positions in the operations account. When parks already went into the sequester insufficiently staffed, we find this a troublesome continuation of the decline of park base operations that cannot be sustained without impacts to park resources and visitors.

Our national parks have been called the envy of the world, preserving our uniquely American history in places as diverse as the Everglades and the Statue of Liberty, Independence Hall and Yellowstone. These are extraordinarily special places that provide opportunities for our children and grandchildren to learn about what it means to be an American and to be awed by a glacier or a geyser, or simply to sit with their families and watch deer saunter by. We have a fundamental responsibility to care for them, to hand them down to the next generation in at least as good a shape as we found them on our watch. The continuing decline in national park budgets and other discretionary spending—which is not really providing the long-term budgetary relief the times demand—threatens our ability to carry out this national responsibility.

We hope to work with you to identify ways in which we can be helpful in this climate that we understand is challenging for the committee. We hope that together we can identify a way to prevent our national parks from becoming a casualty of a broken budget process.

Again, thank you for the opportunity to testify. I'd be happy to answer any questions you or other members of the subcommittee may have.

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PREPARED STATEMENT OF THE NATIONAL RECREATION AND PARK ASSOCIATION

Thank you Chairman Reed, Senator Murkowski, and other honorable members of the subcommittee for the opportunity to submit written testimony pertaining to funding for the Land and Water Conservation Fund's (LWCF) State Assistance Program and the Urban Parks and Recreation Recovery Program (UPARR) in the fiscal year 2014 Interior Appropriations bill.

OVERVIEW OF FUNDING REQUEST

As outlined below, we encourage you to renew the Federal investment in the LWCF. However, given that the purpose of the act is to help preserve, develop, and assure access to outdoor recreation facilities to strengthen the health of U.S. citizens, we urge you to make a greater investment in States and local communities by:

- Allocating a minimum of 40 percent of fiscal year 2014 LWCF appropriations to the State Assistance Program;
- Maintaining the State Assistance Program's distribution formula in its current form; and
- Allocating \$15 million in funding for the UPARR in fiscal year 2014 out of total LWCF appropriations.

ABOUT THE NATIONAL RECREATION AND PARK ASSOCIATION

The National Recreation and Park Association (NRPA) is a nonprofit organization working to advance parks, recreation and environmental conservation efforts nationwide. Our members touch the lives of every American in every community every day. Through our network of approximately 30,000 citizen and professional members we represent park and recreation departments in cities, counties, townships, special park districts, and regional park authorities, along with citizens concerned with ensuring close-to-home access to parks and recreation opportunities exist in their communities.

40 PERCENT ALLOCATION OF TOTAL LWCF APPROPRIATIONS TO THE STATE ASSISTANCE PROGRAM

There is a common misconception that LWCF is merely a Federal land acquisition program. Nothing could be further from the truth, as the LWCF State Assistance Program provides dollar-for-dollar matching grants to States and local communities for the construction of outdoor recreation projects. The land purchased with LWCF State Assistance funding remains the property of the State or local government, and the resources developed through the LWCF remain publicly accessible in perpetuity.

The LWCF provides numerous benefits to local communities across America, and it does so through a well-recognized and dedicated funding source—namely oil and gas leasing revenues. More than \$6 billion a year is provided through these leases, with a small fraction provided to the LWCF. Unfortunately an even smaller fraction is provided to the State Assistance Program. This is in large part due to the fact that current law mandates that a minimum of 40 percent of the total LWCF annual appropriations must be provided to the Federal land acquisition program without specifying an amount for the State Assistance Program.

As a result, States and local communities have historically received a very disproportionate share of the total LWCF appropriations, with only 11 percent of total LWCF funding going to the State Assistance Program since 1998. Most recently, in fiscal years 2012 and 2013, you provided approximately \$322 million for the LWCF, with \$44 million, or 13 percent, allocated to the State Assistance Program.<sup>1</sup> We appreciate that you've recently recognized the importance of the State Assistance Program and allocated a larger percentage of total LWCF appropriations to it. For nearly 50 years, however, the bulk of the work to carry out purpose of the act has fallen on local communities to handle alone. For the reasons outlined below, we are

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<sup>1</sup>Amounts reflect amounts provided through appropriations and do not reflect sequestration reduction.

asking you to empower States and local communities to do more to preserve, develop, and assure access to outdoor recreation facilities to strengthen our Nation by allocating 40 percent of total LWCF appropriations to the State Assistance Program in fiscal year 2014.

#### LWCF STATE ASSISTANCE'S RETURN ON INVESTMENT AND RETURN ON OBJECTIVE

One of the key aspects of the LWCF State Assistance Program is the ability to create jobs. The outdoor recreation industry, as such is supported by LWCF State Assistance, is an economic powerhouse in the United States. According to the Outdoor Industry Association, the industry generates \$646 billion in consumer spending and supports more than 6 million jobs annually.<sup>2</sup> Impressively, this section of the economy continues to grow even during the ongoing economic recession, and thus has enormous potential to immediately create new jobs. For example, the Outdoor Industry Association reported in October 2011 that the outdoor recreation industry grew at a rate of 5 percent annually between 2005 and 2011. Considering there are 7,800 State and more than 100,000 locally managed parks throughout the country, it is obvious that outdoor recreation is most prevalent at the State and local level. In fact, the National Association of State Park Directors reports that America's State park system contributes \$20 billion to local and State economies each year.<sup>3</sup> There is no doubt, that it is the LWCF State Assistance Program that provides the places, spaces, and opportunities for outdoor recreation which stimulates the outdoor industry.

When viewed through the lens of the importance of the American outdoor recreation industry, the LWCF State Assistance Program has, for more than four decades, achieved a proven return on investment (ROI) demonstrated by the fact that \$3.7 billion in Federal support has leveraged nearly \$4 billion additional in matching funds. But the benefits of this program don't stop there, as the State Assistance Program has not only provided a ROI, but has also done a tremendous job of providing an outstanding return on objective for the American taxpayer by ensuring access for all.

It is well known that not everyone has the ability to visit one of our treasured national parks, and even those who do so are unable to on a regular basis as national parks are often vacation destinations or once-in-a-lifetime trips. To the average American, however, the neighborhood park—down the street, open and accessible to the public, and without an admission fee—is the most important public space in their lives. Many of our country's local places, spaces, and opportunities for outdoor recreation are provided through this program, with more than 40,000 grant projects located in 99 percent of America's counties.

The State Assistance Program is the only Federal investment tool dedicated to ensuring that Americans have access to local public recreation opportunities. Because the LWCF State Assistance Program provides close-to-home recreation opportunities, millions of Americans, young and old, are annually connected with nature and provided the ability to be physically active and simply enjoy a life that they may otherwise be denied.

The LWCF State Assistance Program ensures that local communities, such as Thurmont, Maryland and Talladega, Alabama have places where adults and children can go to recreate and enjoy the outdoors. It is a means by which this committee can provide investment to critically important local parks, including: Elmore State Park in Vermont; the new soccer field at Sisterhood Park in Anchorage, Alaska; and Lions Park in Bismarck, North Dakota. Each of the aforementioned communities benefited from State Assistance grant funding in fiscal year 2012.

#### LWCF STATE ASSISTANCE PROVIDES HEALTH AND ENVIRONMENTAL BENEFITS

In addition to creating jobs and ensuring access for all, the LWCF State Assistance Program delivers tangible health benefits, contributing to the overall health and well-being of Americans.

The National Park Service recognizes this through its Healthy Parks Healthy People U.S. initiative, which aims to increase public recognition of parks and public lands (including State, local, and regional park and trail systems) as places for the promotion of physical, mental, and social health. The CDC reports that childhood obesity has tripled in the last 30 years, less than 25 percent of adults engage in recommended levels of physical activity, and that obesity is a leading cause of chronic disease. As noted by the CDC, increased access to parks, green space, and

<sup>2</sup> Outdoor Industry Association, "The Outdoor Recreation Economy Report 2012."

<sup>3</sup> NASPD Annual Report, March 2013.

recreation opportunities is essential to becoming a healthier Nation and reducing unsustainable healthcare costs.

The LWCF State Assistance Program also significantly contributes to protecting the environment and promoting environmental stewardship. LWCF State Assistance projects have a historical record of contributing to reduced and delayed stormwater runoff volumes, enhanced groundwater recharge, stormwater pollutant reductions, reduced sewer overflow events, increased carbon sequestration, urban heat island mitigation and reduced energy demands, resulting in improved air quality, increased wildlife habitat, and increased land values on the local level.

#### MAINTAINING THE LWCF STATE ASSISTANCE PROGRAM'S CURRENT DISTRIBUTION FORMULA

As noted above, close-to-home public parks and recreation are available to every age, ethnicity, gender, and socio-economic class in every community, both urban and rural, in every State. This is made possible because LWCF State Assistance funding has always been allocated by formula, whereby a portion of funds are equally allocated among all States and territories and the remainder is allocated based on population. This ensures that 100 percent of the State Assistance funding is equitably distributed throughout the Nation.

In fiscal year 2012 and fiscal year 2013, attempts were made to change the LWCF State Assistance distribution formula for the purposes of a Department of the Interior (DOI)-controlled competitive grant program whereby DOI officials would decide the needs of local communities. NRPA believes that local needs are best determined and addressed at the community level. For almost 50 years this has been achieved through the balanced, formula-based distribution approach of the State Assistance Program. We thank you for preserving the State Assistance Program's existing distribution formula in fiscal years 2012 and 2013 and ask you to continue that preservation in fiscal year 2014.

#### REVITALIZING URBAN PARKS AND RECREATION THROUGH FUNDING OF UPARR

While the LWCF has indeed benefited virtually every community in the country, many of our Nation's cities and urbanized counties face distinct challenges that require additional resources. Recognizing this fact as well as the importance of public parks and recreation to larger urban renewal and community development efforts, Congress established the Urban Parks and Recreation Recovery Program (UPARR) to provide matching grants directly to localities in metropolitan areas. Over the course of more than two decades UPARR provided \$272 million for nearly 1,500 projects in 380 communities. This enabled neighborhoods across the country to restore both outdoor and indoor recreation facilities; support innovative recreational programming and enhance delivery of services and programs that provided constructive alternatives to at-risk youth.

Despite its successes, UPARR has not been funded since fiscal year 2002, yet many of the urban open space and recreation challenges still exist today. NRPA is very pleased to see UPARR in the President's fiscal year 2014 budget and calls on Congress to update and fund this needed program to enable metropolitan areas to address quality of life, health and wellness, and conservation issues as they improve their communities and make them more attractive for families and businesses alike. Both LWCF State Assistance and UPARR are critical to providing Americans close to home recreation opportunities. The programs complement each other and NRPA implores Congress to fund UPARR from total LWCF appropriations but not at the expense of the already underfunded State Assistance Program.

Mr. Chairman and members of the committee, few programs can address so many national priorities as effectively as the LWCF State Assistance Program and UPARR do, with so few dollars and without negatively impacting the Federal budget. This subcommittee and Congress have the rare opportunity to achieve national goals without increasing spending or adding to the deficit, and can do so by adopting three simple recommendations: Allocate a minimum of 40 percent of LWCF funding to the State Assistance Program; prohibit any diversion, or change to, the formula funding being made available to States through the State Assistance Program; and address the need for improved infrastructure in urban areas by allocating a portion of the total LWCF funding to UPARR.

Thank you again for the opportunity to share NRPA's recommendations and your consideration of our request.

## PREPARED STATEMENT OF THE NATURAL SCIENCE COLLECTIONS ALLIANCE

The Natural Science Collections Alliance appreciates the opportunity to provide testimony in support of fiscal year 2014 appropriations for the Department of the Interior (DOI). We encourage Congress to provide the DOI Working Capital Fund with at least \$62 million in fiscal year 2014. The NSC Alliance also supports the administration's budget request for the United States Geological Survey (USGS), which utilizes and curates various scientific collections in support of USGS science and provides collections-based information to other DOI bureaus. We encourage Congress to also work to provide adequate funding for the scientific collections maintained by other DOI bureaus, such as the National Park Service, Bureau of Land Management, and Fish and Wildlife Service. These collections are used to inform resource management and support law enforcement efforts.

The Natural Science Collections Alliance is a nonprofit association that supports natural science collections, their human resources, the institutions that house them, and their research activities for the benefit of science and society. Our membership consists of institutions which are part of an international community of museums, botanical gardens, herbaria, universities, and other institutions that contain natural science collections and use them in research, exhibitions, academic and informal science education, and outreach activities.

Scientific collections are a vital component of our Nation's research infrastructure. Whether held at a national museum, Government managed laboratory or archive, or in a university science department, these scientific resources contain genetic, tissue, organismal, and environmental samples that constitute a unique and irreplaceable library of the Earth's history. The specimens and their associated data drive cutting edge research on significant challenges facing modern society, such as improving human health, enhancing food security, and understanding and responding to environmental change. Collections also inspire novel interdisciplinary research that drives innovation and addresses some of the most fundamental questions related to biodiversity.

The institutions that care for scientific collections are important research centers that enable scientists to study the basic data of life, conduct modern biological, geological, and environmental research, and provide undergraduate and graduate students with hands-on training opportunities.

The Federal Interagency Working Group on Scientific Collections (IWGSC) was established by President Bush to evaluate the status of federally owned object-based scientific collections. In 2009, the IWGSC reported that, "scientific collections are essential to supporting agency missions and are thus vital to supporting the global research enterprise." In response, in 2010, the Office of Science and Technology Policy directed Federal agencies to budget for the proper care of collections. "Agencies should ensure that their collections' necessary costs are properly assessed and realistically projected in agency budgets, so that collections are not compromised."

We are pleased to see that DOI has included an increase of \$2 million in its budget request for the Cultural and Scientific Collections program. Interior is an important caretaker of museum collections; the Department has an estimated 146 million items, which is second in size to the Smithsonian Institution. Although many of the Department's collections are located in bureau facilities, artifacts and specimens are also housed by nongovernmental facilities, such as museums and universities.

The fiscal year 2014 budget request would implement a multi-year action plan to address recommendations made by the DOI Inspector General regarding Interior's accountability for its cultural and scientific specimens. In a December 2009 report, the Inspector General found that DOI has failed to properly accession, catalogue, or inventory museum collections, leaving artifacts "unavailable for research, education, or display and . . . subject to theft, deterioration, and damage." The proposed budget increase would reduce the collections' accessioning and cataloging backlog; identify and assess collections housed at non-Federal locations; correct identified deficiencies in accountability, preservation, and protection of Interior cultural and scientific collections; and pursue opportunities for consolidation of bureau and non-bureau facilities housing collections.

We support the proposed DOI study of bureau and non-bureau facilities housing biological collections to determine the potential for economies of scale, improvements of oversight and accountability, and space reduction. Because excellent public and private facilities already exist in every State, we believe the study is likely to conclude that contracting with existing bio-repositories that have the experience and expertise to house and curate the collections and associated data will be the most efficient and cost-effective means by which Federal agencies can access the collections data required to accomplish agency missions. We applaud the increased recognition by DOI and other Federal departments of the immense importance of bio-

logical collections and the data they provide in support of the Nation's research enterprise that ultimately drives economic growth, improves human health, addresses energy needs, and enables sustainable management of our natural resources.

The National Park Service is also planning to continue its investments in scientific collections. The proposed budget would support plans to catalog an additional 2 million museum objects in fiscal year 2014. Additionally, several parks will complete collections plans for fire protection, pest management, storage, and emergency operations.

The United States Geological Survey would expand its efforts to preserve, inventory, and digitize geological scientific collections, such as rock and ice cores, fossils, and samples of oil, gas, and water. The proposed \$400,000 increase within Core Science Systems would be used to help States with collections management, improve accessibility of collections data, and expand digitization of specimens.

#### CONCLUSION

Scientific collections are an important part of our Nation's research enterprise. Research specimens connect us to the past, are used to solve current societal problems, and are helping to predict future environmental changes. Continued investments in scientific collections are critical for our Nation's continued scientific leadership. Please support the budget request for the Department of the Interior's Capital Working Fund, which will support Interior's efforts to preserve scientific collections—a truly irreplaceable resource.

Thank you for your thoughtful consideration of this request.

#### PREPARED STATEMENT OF THE NORTON SOUND HEALTH CORPORATION

The requests of the Norton Sound Health Corporation (NSHC) for the fiscal year 2014 Indian Health Service (IHS) budget are as follows:

- Appropriate an additional \$13.58 million to staff and operate the newly opened Norton Sound Regional Hospital, as requested by the administration.
- Direct the IHS to use existing fiscal year 2014 appropriations to fully fund the Village Built Clinic (VBC) leases in accordance with section 804 of the Indian Health Care Improvement Act and allocate an additional \$8.2 million to VBC leases.
- Fully fund contract support costs at \$617 million, an amount \$140 million over the President's fiscal year 2014 budget request. We also ask that the committees direct the IHS to immediately release the outstanding fiscal year 2011 and fiscal year 2012 CSC shortfall reports.
- Reject the administration's proposal to preclude CSC shortfall recovery by specifying in the appropriations bill amounts for individual Self-Determination contracts.
- Shield the IHS from sequestration.

The Norton Sound Health Corporation is the only regional health system serving northwestern Alaska. It is on the edge of the Bering Sea, just miles from the Russian border. We are not connected by road with any part of the State and are 500 air miles from Anchorage—about the distance from Washington, DC to Portland, Maine. Our service area encompasses 44,000 square miles, approximately the size of Indiana. We are proud that our system includes a tribally owned regional hospital which is operated pursuant to an Indian Self-Determination and Education Assistance Act (ISDEAA) agreement, and 15 village-based clinics.<sup>1</sup> The logistics and costs associated with travel and transportation are a daily challenge, to say the least.

*Additional Funding Needed To Staff New Hospital Facility.*—NSHC gained beneficial occupancy of its new replacement hospital and ambulatory care center facility in Nome in June 2012, the construction of which was funded by the Recovery Act. The IHS and NSHC have successfully worked as Government-to-Government partners to construct and furnish the new facility.

The replacement facility is almost three times the size of the former Norton Sound Regional Hospital and will allow for increased patient visits in the primary and acute care areas, including chronic disease prevention and management, and allow us to provide enhanced trauma and emergency services. NSHC needs to hire additional staff for the new replacement facility including pharmacists, laboratory and X-ray technicians, maintenance, information technology, housekeeping and security personnel.

<sup>1</sup>We serve the communities of: Brevig Mission, Council, Diomed, Elim, Gambell, Golovin, King Island, Koyuk, Mary's Igloo, Nome, St. Michael, Savoonga, Shaktolik, Shishmaref, Solomon, Stebbins, Teller, Unalakleet, Wales, and White Mountain.

Now that the new facility is open, IHS has only to fund the expanded staffing needs for operation of the replacement hospital. We need the full amount requested by the President in his fiscal year 2014 budget—or an additional \$13.58 million—in staffing/operating funds to allow optimal use of the facility. These funds, combined with the over \$10 million staffing funds provided in the fiscal year 2013 appropriations will ensure that NSHC will be able to safely carry out its mission in the new hospital.

It is important to note that the new hospital is located in a medically underserved area and has one of the highest Health Professions Shortage Area (HPSA) scores in the Nation. NSHC has been greatly limited in its ability to recruit and hire medical professionals, instead having to focus primarily on hiring core operational staff. It is very difficult for us to successfully recruit medical staff to Nome, particularly individuals who will need to move to Nome with their families, based solely on our anticipation that Congress might make additional staffing funds available to NSHC sometime in the future. To fully realize the potential of the new replacement hospital, and to ensure that we can safely provide adequate and expanded healthcare services to the people in our region, we need the full amount of \$13.58 million that the President has asked for in his budget.

*Assistance Needed To End Chronic Underfunding of Village Built Clinics.*—The NSHC healthcare system includes 15 Village Built Clinics (VBCs). The VBCs are essential for maintaining the IHS Community Health Aide Program (CHAP) in Alaska, which provides the only local source of healthcare for many Alaska Native people in rural areas. The CHAP program is mandated by Congress as the instrument for providing basic health services in remote Alaska Native villages. The CHAP program cannot operate without the use of clinic facilities.

The IHS has for many years consistently underfunded the leases of VBCs even though the IHS has had available appropriations to fully fund the leases. Lease rental amounts for the VBCs have failed to keep pace with costs—the majority of the leases for VBCs have not increased since 1989. The IHS has instead shifted its statutory responsibilities onto the villages and NSHC, which does not have adequate financial resources to maintain and upgrade the VBCs for CHAP staff. As a result, many of the VBCs are unsafe or have had to be closed, leaving some villages in Alaska without a local healthcare facility.

As we indicated in our joint testimony to the subcommittees last year, NSHC and many other tribal organizations in Alaska have discussed this issue with the IHS on several occasions, and have proposed solutions that the IHS continues to ignore. IHS continues to assert that it provides for VBC leases all of the funds that Congress has appropriated for the program. In our view, the amounts historically traceable to the VBC leases are not capped by statute and are not the only funds available for that program. The Indian Health Facilities appropriation is a lump-sum appropriation that can be used for construction, repair, maintenance, improvements and equipment, and includes a sub-activity for maintenance and improvement of IHS facilities. The VBCs are IHS facilities acquired by lease in lieu of construction and should thus be eligible for maintenance and improvement funding. The IHS can also access other IHS discretionary funds to fully fund its VBC obligations.

For the fiscal year 2014, we urge that an additional \$8.2 million be appropriated to help fully fund VBC leases. We also ask that Congress direct the IHS to use existing fiscal year 2014 appropriations to fully fund the VBC leases in accordance with section 804 of the Indian Health Care Improvement Act.

*Contract Support Costs Must Be Fully Funded.*—NSHC appreciates that Congress has in recent years increased funding for IHS contract support costs owed to tribes and tribal organizations under the Indian Self-Determination and Education Assistance Act and Federal case law. Even with these additional appropriated funds, the ongoing shortfall of CSC continues to impose significant hardships on NSHC and its patients. We urge the subcommittees to continue to push for full funding of CSC so that CSC underfunding is finally resolved. While it is difficult to estimate the full CSC need for fiscal year 2014—in part because IHS refuses to release its CSC distribution data for the last 2 years, as discussed further below—based on projections from fiscal year 2010 we estimate that the total need in fiscal year 2014 to be \$617 million.

Given the progress toward full CSC funding in recent years, we are dismayed that the administration's budget request proposed only a minimal increase for IHS CSC to \$477,205,000. This would force tribes to absorb almost \$140 million in uncompensated costs for overhead and administration of Federal programs. This continued shortfall compromises NSHC's ability to serve its patients. We urge the committees to fully fund IHS CSC at \$617 million.

Just as disheartening is the administration's proposed appropriations act language that attempts to preclude tribes from recovering any of their CSC shortfalls

through contract actions, which the Supreme Court said is their right in the *Salazar v. Ramah Navajo Chapter* case from 2012. The proposed bill language would incorporate by reference a table identifying the maximum amount of CSC available for every single ISDEAA agreement. This process is unworkable, and has been proposed with zero input from tribes and other ISDEAA contractors. We urge that the subcommittee reject this proposed approach and, instead, fully fund CSC for both IHS and BIA.

*Direct the Indian Health Service To Release CSC Shortfall Data.*—The IHS has failed to provide CSC shortfall reports to Congress for fiscal years 2011 and 2012. The IHS must submit these reports no later than May 15 of each year, per section 106(c) of the ISDEAA, 25 U.S.C. § 450j–1(c). NSHC and other ISDEAA contractors recently asked the IHS to share the CSC distribution data for those years. Access to the CSC shortfall data is critical to our ability to understand the IHS's view of the scope of CSC underfunding, to evaluate IHS's allocation of its insufficient past CSC appropriations, and to pursue full CSC funding moving forward. The IHS has repeatedly refused to make the reports available, most recently at a March 2013 meeting with the IHS Area Lead Negotiator for the Alaska Area. We thus ask that the committees direct the IHS to immediately release the fiscal years 2011 and 2012 CSC shortfall reports—and all future reports—in a timely manner, as required by the ISDEAA.

*Protect the Indian Health Service From Sequestration.*—The Office of Management and Budget determined that the IHS's appropriation is fully sequestrable, which resulted in a \$220 million cut in funding to the IHS for fiscal year 2013—roughly 5 percent of the IHS's overall budget. IHS lost \$195 million for programs like hospitals and health clinics services, contract health services, dental services, mental health and alcohol and substance abuse. Programs and projects necessary for maintenance and improvement of health facilities felt these same impacts. These negative effects are then passed down to every ISDEAA contractor, including NSHC. NSHC is already significantly underfunded, resulting in further cuts to the availability of health services we are able to provide to our patients, resulting in real consequences for individuals who have to forego needed care.

We suffer these reductions and experience these new challenges to providing healthcare for the people of the NSHC region, despite the United States' trust responsibility for the health of Alaska Native and American Indian people. We fail to understand why this responsibility was taken less seriously than the Nation's promises to provide health to our veterans. The Veterans Health Administration (VA) was made fully exempt from the sequester for all programs administered by the VA. See section 255 of the Balanced Budget and Emergency Deficit Control Act (BBEDCA), as amended by Public Law 111–139 (2010). Also exempt are State Medicaid grants, and Medicare payments are held harmless except for a 2 percent reduction for administration of the program. Yet the IHS—which already faces low funding—was subject to full cuts. We thus strongly urge the subcommittee to support amendment of the BBEDCA to fully exempt the IHS from any future sequestration, just as the VA and other health programs are exempt.

Thank you for your consideration of our request that adequate fiscal year 2014 IHS staffing funding be made available for the NSHC replacement hospital. We are very excited about the possibilities this facility brings for improved healthcare for the people of Northwestern Alaska. We also appreciate the committees' consideration of our requests to address the chronic underfunding of Village Built Clinics and contract support costs. We are happy to provide any additional information you may request.

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PREPARED STATEMENT OF THE NATIONAL TRIBAL CONTRACT SUPPORT COST  
COALITION

My name is Lloyd Miller and I am a partner in the law firm of Sonosky, Chambers, Sachse, Miller and Munson, LLP. I appear here today as counsel to the National Tribal Contract Support Cost Coalition. The Coalition is comprised of 20 Tribes and tribal organizations situated in 11 States and collectively operating contracts to administer \$400 million in IHS and BIA services on behalf of over 250 Native American Tribes.<sup>1</sup> As the NTSCC Coalition has frequently stated to this com-

<sup>1</sup>The NTSCC is comprised of the: Alaska Native Tribal Health Consortium (Alaska), Arctic Slope Native Association (Alaska), Central Council of the Tlingit & Haida Indian Tribes (Alaska), Cherokee Nation (Oklahoma), Chippewa Cree Tribe of the Rocky Boy's Reservation (Montana), Choctaw Nation (Oklahoma), Confederated Salish and Kootenai Tribes (Montana), Copper River Native Association (Alaska), Forest County Potawatomi Community (Wisconsin), Kodiak



mittee, the payment of contract support costs is essential to the proper administration of Federal contracts awarded under the Indian Self-Determination Act.

I noted last year that no single enactment has had a more profound effect on more tribal communities than the Indian Self-Determination Act. In just three decades Tribes and inter-tribal organizations have taken control over vast portions of the Bureau of Indian Affairs and the Indian Health Service, including Federal Government functions in the areas of healthcare, education, law enforcement and land and natural resource protection. Today, not a single Tribe in the United States is without at least one self-determination contract with the IHS and BIA, and collectively the Tribes administer some \$2.8 billion in essential Federal Government functions, employing an estimated 35,000 people. Contract support cost issues thus touch every Tribe in the United States.

In 2012, the Supreme Court ruled that “[c]onsistent with longstanding principles of Government contracting law, we hold that the Government must pay each tribe’s contract support costs in full.” *Salazar v. Ramah Navajo Chapter*, 132 S. Ct. 2181, 2186 (2012). The Court emphasized that “the Government’s obligation to pay contract support costs should be treated as an ordinary contract promise.” *Id.* at 2188. Two months later, the U.S. Court of Appeals for the Federal Circuit applied this ruling to the Indian Health Service, concluding that “[t]he Secretary [was] obligated to pay all of ASNA’s contract support costs for fiscal years 1999 and 2000.” *Arctic Slope Native Ass’n, Ltd. v. Sebelius*, No. 2010–1013, Order at 6, 2012 WL 3599217 (Fed. Cir. Aug. 22, 2012). In short, it is now beyond any reasonable debate that the payment of contract support costs is a binding contractual obligation due all Tribes that operate BIA and IHS contracts.

The administration has not embraced the rule of law; it has instead sought to change it.

First, it has submitted a budget which falls \$140 million short of what is required to honor all tribal contracts with the Indian Health Service. The budget is also \$12 million short of what is required to honor all BIA contracts.

Second, it has defiantly proposed a statutory amendment-by-appropriation, seeking to cut off all future contract rights. It has done this by proposing to give legal effect to a “table” which the Secretary would someday provide to this committee, specifying the maximum amount each tribal contractor would be entitled to be paid. Since each tribal contract is “subject to the availability of appropriations,” the administration hopes this language will limit what is “available” to the amount in the “table.” The administration does not propose that a Tribe cut back on its administration of a contracted hospital or clinic, or a police department or detention center. It only proposes to cut off what the Government would pay for those services.

This is an outrageous and unwarranted overreaction by the administration to another loss in the courts. But it is not surprising. For years the agencies have kept their heads in the sand about their contract obligations to the Tribes. They have acted as if these contracts were just another program to be balanced against other programs or activities the agencies felt were important to prioritize, including protecting and growing their internal bureaucracies. They have treated these self-determination contracts as second-class contracts, and the Indian Tribes as second-class contractors. They would never behave in this fashion if an IHS hospital were contracted out to Sisters of Providence, or a BIA detention center were contracted out to the Corrections Corporation of America. Yet they find it perfectly acceptable to do so when the contract is with an Indian Tribe.

What is perhaps most striking is that the administration has proposed converting these contracts into second-class contracts only months after a Supreme Court ruling which declared these to be “ordinary contract promise[s]” which must be paid in full. It is nothing short of dishonorable—even discriminatory—for the administration now to propose a special limitation applicable to Indian contracts only. I am also concerned that it may be confiscatory, and thus unconstitutional under the Fifth Amendment, for it tells the Tribes they must do their contracted work and accept less-than-full payment, to be set at the agency’s whim and with no recourse.

It is, of course, the “no recourse” aspect of this new idea that is most troubling. For over 120 years it has been bedrock law that if the Government cannot, or will not, pay a contractor, the contractor has recourse through the courts. *Ferris v. United States*, 27 Ct. Cl. 542, 546 (1892). If an overall appropriation is capped (as

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Area Native Association (Alaska), Little River Band of Ottawa Indians (Michigan), Pueblo of Zuni (New Mexico), Riverside-San Bernardino County Indian Health (California), Shoshone Bannock Tribes (Idaho), Shoshone-Paiute Tribes (Idaho, Nevada), SouthEast Alaska Regional Health Consortium (Alaska), Spirit Lake Tribe (North Dakota), Tanana Chiefs Conference (Alaska), Yukon-Kuskokwim Health Corporation (Alaska), and the Northwest Portland Area Indian Health Board (43 Tribes in Idaho, Washington, Oregon).

has been the case with contract support costs), there is recourse in the courts for those tribal contractors who suffer underpayments. A judicial remedy for any underpayment permits a cap to withstand legal, and constitutional, scrutiny. But once that relief valve is shut off, the risk of unconstitutional action rises. In *Cherokee Nation v. Leavitt*, the Supreme Court warned that “[a] statute that retroactively repudiates the Government’s contractual obligation may violate the Constitution.” 543 U.S. 631, 646 (2005). The Court also warned against the “practical disadvantages flowing from governmental repudiation.” *Id.*

Consider what it is the administration is actually proposing. The administration is not proposing that the appropriations act include a line-item specifying the maximum amount of funding available to pay a given contractor. That is what occurred in *Sutton v. United States*, 256 U.S. 575 (1921), and that is one of the options the Supreme Court described in *Ramah*, 132 S. Ct. at 2195 (“Congress could elect to make line-item appropriations, allocating funds to cover tribes’ contract support costs on a contractor-by-contractor basis.”). Instead, the administration is proposing that the agencies, and not Congress, would specify how much each Tribe would be paid—but just in contract support costs—and the agencies would do so only after the contract support cost appropriation is enacted and after the agencies have made an assessment about how they wish to divide up that appropriation. They would do all this long after the Tribes had signed their contracts, long after the Tribes had substantially performed those contracts, and long after the Tribes had incurred costs carrying out those contracts.

In essence, the administration proposes that a Tribe should contract to run a hospital, clinic or detention center for a full year, but that if any shortfall occurs in the required administrative costs—costs that the Government, itself, sets—then the Tribe must somehow contribute the unpaid balance. That sort of forced volunteer services may well violate the appropriations clause, by effectively taking away from Congress the power to regulate spending on Federal projects. Serious constitutional problems are also implicated when the agency makes an after-the-fact determination that the Government is not going to pay for services rendered. These are certainly not the straightforward “line-item appropriations” that the Supreme Court said were possible if Congress wanted to limit the Government’s exposure for contract damages.

For the foregoing reasons, the National Tribal Contract Support Cost Coalition respectfully urges the committee to reject the administration’s effort to radically alter both the structure of the annual appropriations bill and the fundamental nature of Indian Self-Determination Act contracts. If a sea change in Federal Indian policy is to be considered by Congress, and if the change potentially implicates issues of constitutional dimension, due deliberation should begin with the authorizing committees, starting with the Senate Committee on Indian Affairs.

In sum:

- The Coalition respectfully suggests that this committee reject the administration’s proposed restructuring of the appropriations act.
- The Coalition further respectfully suggests that the committee either eliminate the current caps (as was the case with the IHS appropriation until fiscal year 1998, and with the BIA until fiscal year 1994), or raise the IHS cap to \$617 million and the BIA cap to \$242 million. Whatever funding levels are fixed in the bill, tribal contractors should not be denied the remedies that every other Government contractor possesses, and which the Supreme Court in the *Ramah* and *Cherokee* cases confirmed protect Indian contractors, too.
- The Coalition also respectfully suggests that the administration be directed to engage Tribes in true and thoughtful government-to-government consultation, consistent with President Obama’s November 5, 2009 memorandum directing full implementation of Executive Order 13175 (“Consultation and Coordination with Indian Tribal Governments”), 65 Fed. Reg. 67,249 (2000). In so doing, the administration should be directed to work with the National Congress of American Indians, impacted tribal organizations, and experts in the field. If legislative changes are deemed necessary, the goal should be the development of a joint Federal-tribal proposal. The administration should be directed not to bring any proposal to this committee sooner than the fiscal year 2016 appropriations cycle, to be sure that any Federal-tribal proposal that is brought forward has been fully vetted in advance with the relevant authorizing committees.
- Finally, the Coalition requests that the committee take firm action to force the disclosure of IHS data the Secretary has failed to share with Congress and the Tribes, contrary to Federal law. Section 106(c) of the act requires that an annual shortfall report on past and anticipated contract underpayments be delivered to Congress by May 15. The IHS report on fiscal year 2011 data—2 year old data—has still not been submitted to Congress. The 2009 and 2010 reports

were only submitted last fall, the former report 3 years late. Without accurate data, this committee cannot perform its constitutional function. Without accurate data, Tribes cannot know what the agencies are doing with their contract funds.

Since the agencies invoke the “deliberative process privilege” under 5 U.S.C. § 552(b)(5) to resist disclosure, we request the insertion of language waiving that provision for all CSC data not disclosed on or before May 15. Past data errors are a reason to disclose data, not to keep it secret long until after it is useful. The recent withholding of CSC payment data must stop.

—On a related note, the President’s budget now routinely omits any mention of the total projected amounts required for IHS and BIA contract payments. Until the fiscal year 2011 budget, such projections were routinely included in the budget narrative. The Coalition respectfully requests that the committee direct the Secretaries to include this data in future budget submissions.

By any measure, the Indian Self-Determination Act has been a stunning success, most importantly for the Indian citizens served, but also in the strengthening and maturing of modern tribal government institutions. Now is not the time to adopt changes that will inevitably drive Tribes to retrocede their contracted activities to the Federal Government, turning back the clock on the most successful initiative the United States has ever launched in Indian affairs.

On behalf of the over 250 federally recognized Tribes represented by the National Tribal Contract Support Cost Coalition, I humbly thank the committee for this opportunity to provide testimony on the administration’s proposed fiscal year 2014 budget.

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#### PREPARED STATEMENT OF THE NATIONAL TRUST FOR HISTORIC PRESERVATION

Mr. Chairman and members of the subcommittee, I appreciate this opportunity to present the National Trust for Historic Preservation’s recommendations for fiscal year 2014 appropriations. My name is Thomas J. Cassidy, Jr. and I am the Vice President for Government Relations and Policy. The National Trust is a privately funded nonprofit organization chartered by Congress in 1949. We work to save America’s historic places to enrich our future. With headquarters in Washington, DC, 13 field offices, 27 historic sites, 746,000 members and supporters and partner organizations in 50 States, territories, and the District of Columbia, the National Trust works to save America’s historic places and advocates for historic preservation as a fundamental value in programs and policies at all levels of government.

The Nation faces a challenging fiscal environment. The National Trust recognizes there is a need for fiscal restraint and cost-effective Federal investments. However, we do not believe that preservation, conservation and recreation programs should suffer from disproportionate funding reductions. We look forward to working with you, Mr. Chairman, as you address the ongoing needs for investments to sustain our Nation’s rich heritage of cultural and historic resources that generate lasting economic vitality for communities throughout the nation.

#### HISTORIC PRESERVATION FUND

The Historic Preservation Fund (HPF) is the principal source of funding to implement the Nation’s historic preservation programs. Like the Land and Water Conservation Fund, its dedicated revenues are generated from oil and gas development on the Continental Shelf.

The National Park Service distributes HPF grants that are matched by State Historic Preservation Offices (SHPOs) and Tribal Historic Preservation Offices (THPOs). Inadequate HPF funding limits support for preservation activities such as survey, inventory, public education, and project review for the Federal Historic Rehabilitation Tax Credit (HTC), State and Tribal Historic Preservation Plans, and the National Register of Historic Places. The HTC is the most significant Federal investment in historic preservation. It has catalyzed the rehabilitation of more than 38,700 buildings throughout the Nation. Since its creation more than 30 years ago, the HTC has created 2.3 million jobs and leveraged nearly \$106 billion in private investment.

The National Trust and its preservation partners recommend at least \$62.985 million for the Historic Preservation Fund, including \$50 million for the SHPOs and \$10 million for the THPOs. Such a modest increase in funding would recognize the continuing demand upon these agencies for preservation services, including an increase in participation among THPOs from 131 tribes in fiscal year 2012 to an estimated 150 tribes in fiscal year 2014.

We enthusiastically endorse the administration's request for \$3 million for competitive grants for the survey and nomination of properties to the National Register of Historic Places and National Historic Landmarks associated with communities currently underrepresented. Recent studies have documented that fewer than 5 percent of such listings identify culturally diverse properties. This program would correct the underrepresentation of all the Nation's stories.

We also look forward to working with the subcommittee to restore funding for competitive grant programs that protect our Nation's most significant cultural artifacts and historic structures. The Save America's Treasures program, for example, had been one of the largest and most successful grant programs to preserve endangered and irreplaceable cultural heritage before funding was eliminated in the fiscal year 2011 budget.

NATIONAL PARK SERVICE: OPERATION OF THE NATIONAL PARK SYSTEM, CULTURAL RESOURCES STEWARDSHIP

We appreciate the administration's slight increase to this program over fiscal year 2012 enacted levels. Three-quarters of the 401 units of the National Park System were created to protect our most important historic and cultural resources. Over the past two decades, the National Park Service (NPS) has added over 35 new parks, 8 of them during this administration, which are predominantly cultural and historical in value. However, funding for cultural resources stewardship has not received support commensurate with natural resources stewardship. During the fiscal year 2010 budget hearings, then Acting NPS Director Dan Wenk stated that NPS had been neglectful of cultural resources. A report of the National Academy of Public Administration found that during the fiscal year 1999–fiscal year 2006 period the NPS bolstered stewardship of natural resources by an additional \$77.5 million. However, during this same period, funding for park cultural programs decreased by 28 percent. Since the release of the NAPA report we have seen no significant effort by NPS to create funding parity between natural and cultural resources in the Park Base Operations Funding. And, although the fiscal year 2014 budget requests an increase of \$2.6 million over fiscal year 2012 enacted, additional funding is plainly needed to approach funding parity with natural resources stewardship. We look forward to working with the subcommittee to sustain an increase in funding for this program.

NATIONAL PARK SERVICE: FACILITY OPERATIONS AND MAINTENANCE

Of the nearly \$11 billion deferred maintenance needed for NPS, \$3 billion is for the 27,000 properties in National Park units listed on the National Register of Historic Places. According to a report issued by the National Academy of Public Administration, *Saving Our History: A Review of National Park Cultural Resource Program* (2008), more than 40 percent of historic buildings and structures in our national parks are in fair or poor condition. Without funding, the condition of these properties will continue to deteriorate and become more expensive to repair and preserve in the future. We support the administration's fiscal year 2014 request which is a modest increase over fiscal year 2012 enacted. We also support the requested \$5.3 million increase for line item Construction that is needed to address deferred maintenance and rehabilitation at a number of historic sites and National Historic Landmarks. The National Trust is conducting fundraising efforts to address the gap—most recently and successfully at White Grass Dude Ranch in Grand Teton National Park—but private money must be matched by Federal money. Continued loss of Federal maintenance money will reduce the opportunity to raise private funds for the preservation of these important structures.

We are concerned that any reduction in the line item Construction account, most of which funds new construction, not adversely impact important rehabilitation of historic structures.

NATIONAL PARK SERVICE: LEASING HISTORIC STRUCTURES IN NATIONAL PARKS

We appreciate the subcommittee's inclusion of language in the fiscal year 2012 conference report recognizing that historic leases provide a cost-effective and innovative solution to mitigate the maintenance backlog of historic structures. We are working with the NPS and private partners to successfully implement such leases and bring private investment to rehabilitation expenses. Further encouragement by the subcommittee to expand the use of historic leases could help catalyze broader use of this important authority.

One promising new and cost-effective opportunity for the NPS and other Federal agencies with historic preservation responsibilities to address the backlog of historic maintenance in the parks is through the recently signed MOU establishing a new

cooperative among NPS, the other Federal land agencies, and several NGOs, including the Student Conservation Association and The Corps Network. College interns, trade school students, and out of work youth and veterans would be trained in the preservation skills necessary to perform preservation work in the parks and other Federal lands.

#### NATIONAL PARK SERVICE: NATIONAL HERITAGE AREAS

We recommend funding for National Heritage Areas (NHAs) at the fiscal year 2012 enacted level or higher. The administration's repeated proposals to reduce NHA funding, justified as "encouraging self-sufficiency," would severely impair the sustainability of the program and the individual NHAs that Congress has established. A recent NPS study found "without funding to replace the NPS investment, few NHAs are expected to survive longer than a few years." NPS Northeast Region, Report of Impacts and Operation Strategy for Sunsetting National Heritage Areas (2012).

During these challenging economic times, every program that receives Federal funding needs to justify its worth and deliver substantial benefits to the American public. NHAs more than meet this test. In its 2013 report, the Alliance of National Heritage Areas noted that since the program was created in 1984, the economic activity generated through NHAs supports approximately 148,000 jobs and \$1.2 billion annually in Federal taxes. The economic benefits of NHAs are realized through tourism and visitation, operational expenditures, and issuing grants and support. NHAs on average leverage every Federal dollar into \$5.50 of additional public and private investment.

#### BUREAU OF LAND MANAGEMENT: NATIONAL LANDSCAPE CONSERVATION SYSTEM

The Bureau of Land Management's (BLM) National Landscape Conservation System (National Conservation Lands) includes 27 million acres of congressionally and presidentially designated lands, including National Monuments, National Conservation Areas, Wilderness, Wilderness Study Areas, National Scenic and Historic Trails, and Wild and Scenic Rivers.

The National Conservation Lands protect some of our country's most significant historical and cultural resources, yet the BLM's ability to steward these resources is undermined by insufficient funding, averaging \$59.6 million, or just \$2.20 per acre. The National Conservation Lands are just one-tenth of BLM managed lands but they host one-third of all BLM's visitors. This high visitation rate has resulted in increased needs to protect and steward historic and archaeological sites from looting and reckless off-road vehicle use. Without sufficient funding, the BLM also struggles to complete essential resource protection, such as signing trails, closing illegal and unnecessary routes, and inventorying and protecting cultural sites.

We support the administration's fiscal year 2014 request, a \$6.5 million increase over fiscal year 2012 enacted, in order to prevent critical damage to the resources found in these areas, ensure proper management and provide for a quality visitor experience. This funding level would enable BLM to hire essential management and law enforcement staff, monitor and protect natural and cultural resources, close unauthorized routes that fragment fragile ecosystems, and undertake needed ecosystem and species restoration projects.

#### BUREAU OF LAND MANAGEMENT: CULTURAL RESOURCES MANAGEMENT

We support the administration's fiscal year 2014 request of \$16.329 million for this account, a slight increase over fiscal year 2012 enacted levels. The BLM oversees the largest, most diverse, and scientifically most important body of cultural resources of any Federal land managing agency, including 21 National Historical Landmarks, 5 World Heritage Sites, and more than 263,000 documented cultural properties. However, BLM receives the least amount of cultural resources money per acre of any Federal agency. In the 34 years since the enactment of the Federal Land Policy and Management Act only 9 percent of the land managed by the BLM has been surveyed for cultural resources. Understanding the location and significance of cultural resources on BLM land creates greater certainty in decisionmaking about land uses including energy development, recreation, and resource protection. Proactive survey for cultural resources is also required under the National Historic Preservation Act. A long term goal of surveying 20 percent of BLM land would be a significant step toward helping our Nation efficiently and cost effectively develop energy resources on our public lands.

## LAND AND WATER CONSERVATION FUND (LWCF)

The National Trust supports robust funding for the Land and Water Conservation Fund. Many of the Nation's most significant historic and cultural landscapes have been permanently protected through LWCF investments, including the Flight 93 National Memorial, Minidoka National Historic Site, Lewis and Clark National Historic Trail, Gettysburg National Military Park, Martin Luther King Jr. National Historic Site, Canyons of the Ancients National Monument, and Harpers Ferry National Historic Park. We strongly support the administration's fiscal year 2013 request for NPS Civil War Sesquicentennial Units and American Battlefield Protection Program Grants.

## U.S. FOREST SERVICE, RECREATION HERITAGE AND WILDERNESS: HERITAGE PROGRAM

Forest Service (USFS) lands contain an estimated 2 million cultural resource sites, including 27 National Historic Landmarks, 325,000 identified cultural resource sites and its first national monument designated primarily for its world-class cultural resources. The Forest Service has updated their performance measures that will now track the management of the entire program through seven new indicators instead of tracking individual assets. This will standardize the program and ensure program staff are working toward a common goal of promoting efficient and effective management of all heritage resources. As these new standards are implemented, we request the Forest Service integrate a needs assessment for bringing their assets to standard. To further understand the successes and needs of the program we request an annual reporting to Congress of the allocations, expenditures and accomplishments of the program by Region and National Forest levels within 12 months of the close of the fiscal year. Providing Congress and the public with a clear understanding of the fiscal needs for USFS heritage assets will assist potential partners determine where they can best engage with Federal managers for the benefit of these irreplaceable resources.

## ADVISORY COUNCIL ON HISTORIC PRESERVATION

The National Trust supports the administration's requested increase of funding for the Advisory Council on Historic Preservation (ACHP). In addition, we suggest the subcommittee include report language recommending the President appoint a full-time Chairman. Such a recommendation was made by the ACHP membership at its November 2011 meeting, as did a task force of historic preservation organizations, including the National Trust. We believe a full-time Chairman would enhance the effectiveness of the ACHP.

Thank you for the opportunity to present the National Trust's recommendations for the fiscal year 2014 Interior, Environment and Related Agencies appropriations bill.

## PREPARED STATEMENT OF THE NATIONAL WILDLIFE FEDERATION

On behalf of the National Wildlife Federation (NWF), the Nation's largest member-based conservation advocacy and education organization, and our more than 4 million members and supporters, we thank you for the opportunity to provide fiscal year 2014 funding recommendations for the Department of the Interior and other agencies under the jurisdiction of this subcommittee.

We understand the very difficult budget choices facing the subcommittee and the Nation as we move forward under the constraints of the Budget Control Act of 2011 (Public Law 112-25). That said, it is our belief that disproportionate cuts to conservation programs represent policy positions not consonant with the priorities and values of most Americans. These programs protect cherished lands and waters and conserve the natural resources that are vital to the Nation's continued economic vitality. Recent studies estimate that outdoor recreation, nature conservation, and historic preservation account for \$1.06 trillion in overall economic activity and support 9.4 million jobs each year. Outdoor recreation alone generates more than \$49 billion in annual Federal tax revenue.

NWF and its members remain concerned about proposed funding reductions to many of the Federal Government's core commitments and programs for conserving fish and wildlife, sustaining and restoring important ecosystems, and maintaining clean air and water. Perhaps of even greater concern are efforts to rewrite the Nation's landmark environmental laws through the use of policy riders on the appropriations bill. National Wildlife Federation urges the subcommittee to make the necessary investments in our essential conservation and environmental programs and

commitments in the fiscal year 2014 appropriations bill, and to pass a bill free of such riders.

National Wildlife Federation is overall supportive of the President's fiscal year 2014 budget request, which we view as balancing fiscal responsibility with continued investments in essential conservation and environmental programs. Below, we offer recommendations for specific budget items and programs.

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

##### *State and Tribal Wildlife Grants*

The State and Tribal Wildlife Grants program is the Nation's core program for preventing wildlife from becoming endangered in every State. We are extremely concerned about the impact on the Nation's wildlife of the nearly 30 percent cut this program has suffered in recent years. We urge Congress to honor its commitment to this important effort and strongly support the President's fiscal year 2014 request of \$61.3 million.

##### *Cooperative Landscape Conservation*

Safeguarding fish and wildlife resources from climate change is a major concern for the entire natural resource conservation community, and FWS's Landscape Conservation Cooperatives represent an important means for leveraging Federal, State, and private resources to achieve effective conservation outcomes. We urge Congress to meaningfully address the very real threats of climate change to our fish and wildlife and support the President's request of \$17.6 million for Cooperative Landscape Conservation.

##### *National Wildlife Refuge System Operations and Maintenance*

The National Wildlife Refuge System is the largest system in the world dedicated to wildlife conservation. Simply maintaining the management capability to operate the Refuge System requires a \$15 million increase each year. NWF, in support of the Cooperative Alliance for Refuge Enhancement (CARE), strongly endorses the President's fiscal year 2014 funding request of \$499 million for Operations and Maintenance for the National Wildlife Refuge System. Robust funding is even more important given that the sequestration cuts enacted in fiscal year 2013 are continuing to force closures and reduced services at many refuges.

#### U.S. GEOLOGICAL SURVEY

##### *Climate Science Centers*

The National Climate Change and Wildlife Science Center and associated regional Climate Science Centers are important for improving the scientific support required to successfully cope with the challenges of a changing climate. NWF is supportive of the President's proposed \$35.3 million in funding for fiscal year 2014.

#### BUREAU OF INDIAN AFFAIRS

##### *Trust Natural Resources Program*

The BIA Trust Natural Resources (TNR) Program represents the largest amount of base, Federal funding for tribal natural resource management. Funding, however, has not kept pace over the decade with inflation or the increasing needs of tribes to manage natural resources. We are strongly supportive of the President's fiscal year 2014 request of \$189.193 million. We are particularly supportive of the \$10 million requested funding for tribal collaboration with DOI Landscape Conservation Cooperatives to support tribal engagement in climate adaptation.

#### BUREAU OF LAND MANAGEMENT

##### *National Landscape Conservation System*

The National Landscape Conservation System contains many of the most special places in the American West. Funding the Conservation Lands at the President's fiscal year 2014 funding request of \$71.5 million is needed to prevent critical damage to the resources found in these areas, ensure proper management, and provide for a quality visitor experience.

#### NEW ENERGY FRONTIER

The New Energy Frontier initiative provides resources for six bureaus across DOI for renewable energy planning, leasing, and permitting activities. The initiative presents an opportunity for the Nation to facilitate large-scale clean energy projects without compromising crucial wildlife interests and investments. The program facili-

tates efficient and expeditious permitting, identification and review of wind energy areas, and efforts to evaluate and protect the sage grouse, lesser prairie chickens, whooping cranes, golden eagles, and Indiana bats. NWF strongly supports the President's request of \$96.9 million for fiscal year 2014, an increase of \$25.6 million from fiscal year 2012 enacted.

#### U.S. FOREST SERVICE

##### *Urban and Community Forestry Program*

The Urban and Community Forestry program improves the forests where people live, work, and play. With urban tree canopies in decline, the program is critical to support carbon sequestration, energy conservation, stormwater management, and air quality, while also providing cooling benefits in urban areas. We support an increase from the President's \$25.3 million fiscal year 2014 request to fiscal year 2012 enacted level of \$31.5 million.

#### LAND AND WATER CONSERVATION FUND

The Land and Water Conservation Fund (LWCF) is the primary tool of the Federal Government for acquiring land valuable for wildlife habitat and open space. LWCF is authorized to receive \$900 million in revenue from offshore oil and gas drilling annually. Nonetheless, this program has been woefully underfunded over the years, with only a fraction of the dedicated revenues appropriated and available for use. National Wildlife Federation strongly endorses the requests laid out in the President's fiscal year 2014 budget, with \$400 million in "current" funding and \$200 million in "permanent" funding projects for the Land and Water Conservation Fund. In addition, we support efforts to ensure LWCF is funded at its maximum authorized level, including legislative efforts to provide robust and dedicated funding outside of the budget process. We'd also like to particularly signal our support for the Urban Parks and Recreation Fund within LWCF, new in this year's budget, and endorse the President's request of \$10 million in "current" funding and \$5 million in "permanent" funding.

#### NATIONAL PARK SERVICE

##### *Cooperative Landscape Conservation*

In order to ensure the continued survival of the plants, animals, and landscapes that Americans value for their recreational and educational uses, conservation efforts must adapt to a changing climate. DOI is making great strides in establishing guidance and gathering new data in the field of climate adaptation, and this program is crucial to ensure that plants and wildlife can survive the changing climate and exist for future generations to enjoy. NWF supports the President's request of \$8.9 million, \$6.0 million more than the fiscal year 2012 enacted level.

#### ENVIRONMENTAL PROTECTION AGENCY

##### *Urban Waters Grant Program and Urban Waters Federal Partnership*

Most Americans now live in urban areas, but our urban waterways are imperiled from the effects of human development, including pollution from industrial point-source pollution and urban stormwater runoff. The Urban Waters Grant Program and Urban Waters Federal Partnership not only fund innovative approaches for water quality improvements that benefit aquatic ecosystems, but also revitalize urban waterfronts, providing economic benefits and recreation value for residents. We support the President's fiscal year 2014 budget request of \$4.4 million for the Urban Waters Grant Program and the Partnership.

##### *Geographic Programs—Ecosystem Restoration Initiatives*

America's Great Waters are the lifeblood of our Nation. Sustained, consistent restoration funding is crucial for the successful implementation of multi-year, complex ecosystem restoration plans. As such, we strongly support the President's requested increase in funding for the EPA's flagship geographic programs, the Chesapeake Bay Program Office (\$73 million requested, an increase of \$15.7 million from fiscal year 2012 enacted) and the Great Lakes Restoration Initiative (\$300 million requested). However, we are concerned about significant proposed funding decreases for several other regional efforts, including but not limited to the Long Island Sound Program and Puget Sound Program.

##### *EPA National Estuary Program*

The National Estuary Program (NEP) works to restore and protect nationally significant estuaries. Unlike traditional regulatory approaches to environmental protec-



tion, the NEP targets a broad range of issues and engages local communities in the process. The program focuses not just on improving water quality, but on maintaining the integrity of the whole system—its chemical, physical, and biological properties, as well as its economic, recreational, and aesthetic values. NWF is glad to see funding maintained for this program, and supports the President's fiscal year 2014 request for \$27.3 million.

*Clean Water State Revolving Fund*

Since the 1970s, CWSRF projects have helped improve the quality of wastewater treatment in communities throughout the country. Yet the job is far from complete and the Nation faces trillions of dollars in funding needs to repair aging wastewater treatment systems and keep our rivers and streams pollution free. While we greatly appreciate the EPA's dedication to increasing green infrastructure options, we believe now, particularly when America's infrastructure is rated at D+ by the American Society of Civil Engineers, is not the time to cut resources from communities. NWF strongly opposes the \$371 million proposed cut to this program, and urges Congress to increase funding from the President's fiscal year 2014 request of \$1.095 billion to fiscal year 2012 enacted levels of \$1.47 billion.

CLEAN WATER ACT 319 NONPOINT POLLUTION REDUCTION PROGRAM

When Congress recognized the need for greater Federal leadership in assisting with nonpoint source pollution reduction efforts, The Clean Water Act was amended to establish section 319. Continued funding for the Nonpoint Source Management Program will provide State and local nonpoint source remediation efforts with the funds that are crucial to the implementation of these projects. As such we recommend that the subcommittee increase program funding from the \$164.5 million requested by the President to the fiscal year 2012 enacted level of \$175 million.

*Climate and Air Pollution Reduction Programs*

NWF supports EPA's priority goal of improving the country's air quality and take action on climate change. We support the President's request of \$801 million to address air quality, an increase of \$32.7 million over fiscal year 2012 enacted. This funding will allow the agency to conduct statutorily mandated work on the National Ambient Air Quality Standards for criteria pollutants and obligations to reduce toxic air pollution. We also support the requested \$212.9 million for addressing climate change, an increase of \$12.9 million over fiscal year 2012 enacted, allowing the Agency to support a full range of approaches for reducing carbon pollution and the risks posed to human health and the environment from climate change.

*National Environmental Education Act Programs*

EPA's Office of Environmental Education implements highly successful, nationwide environmental education programs. We are grateful for the subcommittee's support of environmental education in previous years and recommend fiscal year 2012 baseline funding levels for NEEA at \$9.7 million in fiscal year 2014.

EVERGLADES

America's Everglades are one of the most unique and biodiverse ecosystems in the world, designated as Ramsar Wetlands of International Significance. In the 1940s the Army Corps drained the Everglades resulting in substantial wetland and habitat loss. Protection of the remaining ecosystem and restoration of ecological function are critical for water supply, wildlife, water quality, recreation, tourism, and the economy of South Florida. A recent study indicates each dollar invested in restoring the Everglades will result in a \$4 return. Beginning in the 1980s, Congress made and has affirmed its commitment to restoring the historic River of Grass by allowing fresh water to flow southward and later enacting the Comprehensive Everglades Restoration Plan. This subcommittee has made substantial progress in furthering that promise in recent years—authorizing and funding construction of a 1-mile bridge along the Tamiami Trail, and in fiscal year 2013 authorizing the next phase of bridging. We urge Congress to continue its investment and strongly support the President's budget request for \$30 million to construct the Next Steps of the Tamiami Trail, \$5 million for conservation in the Everglades Headwaters, and \$30.2 million for Everglades National Park and Refuges management.

PREPARED STATEMENT OF THE NATIONAL WILDLIFE REFUGE ASSOCIATION

Mr. Chairman and members of the subcommittee: On behalf of the National Wildlife Refuge Association (NWRA) and its membership comprised of current and

former refuge professionals, Friends organization affiliates and concerned citizens, thank you for your support for the National Wildlife Refuge System (NWRS). NWRA appreciates the opportunity to offer comments on the fiscal year 2014 Interior, Environment, and Related Agencies appropriations bill and respectfully requests \$499 million for the Refuge System's Operations and Maintenance accounts, as well as \$600 million for the Land and Water Conservation Fund (LWCF).

We understand the challenging fiscal climate our Nation is in, but we also feel that cutting funding to programs that are economic drivers in local communities is not an answer to our problems, but rather exacerbates the issue. Should sequestration cuts continue in fiscal year 2014, we estimate that vital Fish and Wildlife Service (FWS) programs such as the NWRS and Partners for Conservation will be unable to meet core functions. Because budgets have not kept pace with rising costs, the gap between the level of funding needed to maintain capabilities for these programs and the level of funding appropriated by Congress has widened dramatically. To begin to bridge that gap, NWRA seeks a middle ground and urges Congress to fund critical programs that leverage Federal dollars and are economic drivers. We, therefore, respectfully request the subcommittee support the following funding allocations for programs in the NWRS and FWS:

- \$499 million for the Operations and Maintenance (O&M) accounts of the NWRS, including \$22 million for Inventory and Monitoring, \$40 million for Refuge Law Enforcement, \$75 million for Visitors Services, \$3.6 million for Challenge Cost Share, \$9.35 million for the Cooperative Recovery Initiative and \$5 million for the Pacific Marine Monuments;
- \$600 million for LWCF, of which \$106 million be allocated for FWS, including \$50 million for the Everglades Headwaters NWR and Conservation Area (Florida); \$6.5 million for the Silvio O. Conte NFWR (Connecticut, New Hampshire, Vermont, Massachusetts); and \$6 million for the Cache River NWR (Arkansas);
- \$60 million for the FWS Partners for Fish and Wildlife Program;
- \$60 million for FWS for Preparedness and Hazardous Fuels Reduction (under DOI);
- \$20 million for the National Wildlife Refuge Fund;
- \$17.6 million for Landscape Conservation Cooperatives (LCCs) in the FWS;
- \$16 million for the FWS construction account;
- \$61.3 million for the State and Tribal Wildlife Grants Program;
- \$39.4 million for the North American Wetlands Conservation Fund;
- \$3.7 million for the Neotropical Migratory Bird Fund;
- \$9.8 million for the Multinational Species Conservation Fund and \$13.5 million for Wildlife Without Borders; and
- \$8.5 million for the National Fish and Wildlife Foundation (NFWF).

#### NATIONAL WILDLIFE REFUGE SYSTEM—O&M

NWRA chairs the Cooperative Alliance for Refuge Enhancement (CARE), a diverse coalition of 22 sporting, conservation, and scientific organizations representing more than 15 million Americans that supports increased funding for the Refuge System. CARE estimates the Refuge System needs at least \$900 million annually to fully function; yet the highest level of funding for the System, \$503 million in fiscal year 2010, was just over half that amount. Since that time, appropriations have been steadily backsliding toward levels that, in real dollars, have not been seen since fiscal year 2006.

If sequestration cuts continue, CARE estimates that NWRS's fiscal year 2014 appropriation could drop to about \$420 million—a cut of \$83 million, or 17 percent, compared with fiscal year 2010. On the ground, it will feel more like a 24 percent, cut, because the Refuge System needs an increase of \$8 million to \$15 million each year to cover the rising cost of fuel, utilities, rent, and other fixed expenses. Because budgets have not kept pace with rising costs, the gap between the level of funding needed to maintain the Refuge System's capabilities and the level of funding appropriated by Congress has widened dramatically. To begin to bridge that gap, CARE seeks a middle ground and urges Congress to fund the NWRS Operations and Maintenance accounts at \$499 million in fiscal year 2014.

NWRS generates tremendous public benefits, with 47 million visitors coming to enjoy recreational opportunities last year. Refuge visitation generates between \$4 and \$8 to local economies for every \$1 appropriated, and contributes to the \$1.7 trillion overall annual economic impact of outdoor recreation, natural resource conservation, and historic preservation. In addition, refuges generate more than \$32.3 billion each year in ecosystem services, such as water storage/filtration and storm buffering on which cities like Miami, Minneapolis, Hartford, New Orleans, Salt Lake City and Sacramento depend. NWRS is not a bloated bureaucracy; in fact, for

most FWS regions, the size of the full-time workforce is smaller today than 10 years ago. During this decade, NWRS has also had a large expansion of responsibility in the areas of planning, inventory and monitoring, law enforcement needs, climate change, acres managed, expanded public use opportunities such as hunting, fishing, birding, and more. These numbers are indicative of a workforce stretched thin and describes an agency that cannot do more with less; they are a rubber band at its breaking point and unless Congress restores their funding, they will be forced to make drastic management decisions.

#### PARTNERSHIPS AND STRATEGIC GROWTH

NWRA calls upon Congress to fund the Land and Water Conservation Fund (LWCF) at \$600 million, of which \$106 million should be allocated to FWS for individual refuge projects and collaborative conservation projects. Created in 1965 and authorized at \$900 million per year (more than \$3 billion in today's dollars), LWCF is our most important land and easement acquisition tool. With more than 8 million acres still unprotected within existing refuge boundaries, and the need to establish key wildlife corridors and connections between protected areas, LWCF is more important than ever. NWRA strongly supports the new mandatory funding requests, as well as the collaborative conservation proposals of the Departments of the Interior and Agriculture that bring together several Federal agencies around a common goal. NWRA supports the following projects and those advocated by refuge Friends organizations:

- Everglades Headwaters NWR & Conservation Area (Florida)—\$50 million;
- Cache River NWR (Arkansas)—\$6 million; and
- Silvio O. Conte NFWR (New Hampshire, Vermont, Massachusetts, Connecticut)—\$6.5 million.

NWRA also strongly supports the Partners for Fish and Wildlife Program, a powerful tool for working with private landowners to collaboratively conserve refuge landscapes. The program consistently leverages Federal dollars for maximum conservation benefit, generating between \$4 and \$10 in conservation return for every \$1 appropriated. NWRA requests a fiscal year 2014 appropriation of \$60 million for the Partners for Fish and Wildlife Program.

#### COMMITMENT TO REFUGE COMMUNITIES—REFUGE REVENUE SHARING

The Refuge System uses net income derived from permits and timber harvests to make payments to local counties or communities to offset lost property tax revenue, and relies on congressional appropriations to the Refuge Revenue Sharing program to compensate for the shortfall between revenues and obligations. Due to declining revenue and lack of appropriations, the Service has been paying less than 50 percent of its tax-offset obligations since 2001. This has a measurable impact on local communities that is felt even more starkly in difficult economic times—and it creates severe strain in relations between the Federal units and their local community, threatening the goodwill and partnerships that are keystones of successful conservation. NWRA requests \$30 million for the Refuge Revenue Sharing Program, which, in recognition of the President's proposal to zero out funding, is still only about half of what is needed. NWRA also calls for a review of the Refuge Revenue Sharing Act of 1935 as amended, and consideration of conversion to a Payment-in-Lieu of Taxes (PILT) program to be consistent with other Federal land management agencies and to provide Refuge communities with more equitable payments.

#### SUPPORTING PRESCRIBED FIRE TO REDUCE CATASTROPHIC BURNS

Fire as a wildlife habitat management tool is one of the most important items in the FWS tool chest but it is also perhaps the least understood and currently sequestration is having a dramatic impact. FWS anticipates that fewer than 20 refuges nationwide will attempt to continue their fire regime as called for in management plans; that means every other program in the Nation will be ended completely or deeply cut. Unfortunately, because funding for the FWS fire program falls under the DOI's Hazardous Fuel Reduction program, less and less funds are going to the FWS for prescribed burns. The funding for the FWS under DOI's Hazardous Fuel Reduction program is down by 40 percent, with FWS treating less than one-quarter of what they used to do.

This loss of prescribed burning is leading to an increase in fuel and could have catastrophic results—especially in urban areas where reducing fuel loads ultimately protects people's lives and property. For instance, J.N. Ding Darling NWR in Florida uses prescribed burns extensively where lightning strikes would normally cause fires every couple of years. Without the ability to reduce fuel on the refuge, there

is concern in the city of Sanibel that the next fire could quickly become out of control. We urge returning capabilities for FWS to \$60 million for fiscal year 2014.

#### NATIONAL BLUEWAYS

Two National Blueways have been established and both are focused on national wildlife refuges and surrounding watersheds. The first National Blueway, the Connecticut River watershed, established in May 2012 and encompasses the entire Silvio O. Conte National Fish and Wildlife Refuge spanning the States of Connecticut, Vermont, New Hampshire, and Massachusetts. In this instance, the Blueway is an overlay of the refuge, which was established to conserve the entire watershed. The second National Blueway, the White River, includes the Cache River NWR. Cache River NWR dominates an important landscape where the FWS, NRCS and the Army Corps are cooperating on a major restoration project. Fiscal year 2014 LWCF funding is essential to supporting the goals of the project and Blueway.

National Blueway designation is not a new Federal spending program, rather it is good governance where agencies, through memorandums of understanding and cooperative agreements, agree to focus and share resources toward common goals. This is something we at NWRA have long advocated for and are strongly supportive of. Continued collaboration across agencies and with local communities is the future of conservation in our Nation.

#### LEVERAGING AMERICAN VOLUNTEERISM

Refuges are vital places for the American people to connect with nature and get involved. Currently, refuge Friends and volunteers do 20 percent of all work on refuges. In 2012, these 1.6 million hours equated to 766 full time employees. This is extremely important, as the System has lost approximately 500 positions from operations and 150 from fire over the past few years. About 200 staff nationwide are assigned to visitor's services, but with sequestration and lost positions from attrition, these staff are being moved to other duties. Adding insult to injury, this reduction has a drastic multiplier effect because many of these positions oversee volunteers. Without staff to oversee volunteers, that commitment and passion is lost, as is their desperately needed contribution to the System. We request \$74 million for Visitors Services for NWRS.

#### CONSTRUCTION

While FWS has steadily been working to reduce their operations and maintenance backlogs, refuges still have existing construction needs, including the replacement of deteriorating structures that are expensive to maintain. We support the President's requested \$16 million for NWRS's construction budget, including habitat restoration and visitor enhancements.

#### PROTECTING THE PUBLIC AND REFUGE RESOURCES—NWRS LAW ENFORCEMENT

In 2005, the International Association of Chiefs of Police (IACP) conducted a first of its kind analysis of law enforcement (LE) needs for a land management agency, focusing on the Refuge System. They recommended a force of 845 full-time Federal wildlife officers to adequately protect visitors and taxpayer resources; but the System has only a little more than one-quarter of that amount with 250 officers for the 150-million-acre System. Further, since the report was completed in 2005, the System has grown by 50 million and visitation has grown by more than 15 percent to more than 45 million in 2012. We request \$40 million for NWRS law enforcement.

#### USING SCIENCE TO GUIDE ADAPTIVE MANAGEMENT

FWS and the NWRS are developing landscape-level strategies to address habitat changes due to shifting land use, increasing human population, the spread of invasive species and changing climates. We strongly support the FWS initiative to establish Landscape Conservation Cooperatives (LCCs) to bring the best science to help local, State and Federal agencies make the most educated management decisions. We recommend allocating \$17.6 million to fund LCCs in fiscal year 2014 and \$22 million for the NWRS's Inventory and Monitoring program.

NWRA believes the National Wildlife Refuge System can meet its responsibilities to the American people with collaboration and sufficient funding and we urge Congress to help the FWS meet these obligations.

## PREPARED STATEMENT OF THE NATIONAL WATER RESOURCES ASSOCIATION

On behalf of the membership of the National Water Resources Association, I am in support of selected programs under the jurisdiction of the U.S. Fish and Wildlife Service.

## ENDANGERED SPECIES RECOVERY IMPLEMENTATION PROGRAM

*Fiscal Year 2014 Request—Support President's Budget Request*

This program provides funding for Upper Colorado and San Juan endangered fish recovery programs that ensure ESA compliance for 2,500 Federal, tribal, and non-Federal water projects under Federal/non-Federal cost sharing arrangements authorized by Congress under Public Law 106–392.

## FISHERIES AND AQUATIC RESOURCES CONSERVATION ACTIVITY; NATIONAL FISH HATCHERY OPERATIONS SUBACTIVITY

*Fiscal Year 2014 Request—Support President's Budget Request*

This program provides the Federal share of funding from USFWS for the Upper Colorado and San Juan Endangered Fish Recovery Program and ensures ESA compliance for 2,500 water projects.

## RESOURCES MANAGEMENT APPROPRIATION ECOLOGICAL SERVICES ACTIVITY; ENDANGERED SPECIES SUBACTIVITY—RECOVERY OF SPECIES ELEMENT

*Fiscal Year 2014 Request—Support President's Budget Request*

This program provides the Federal share of funding from USFWS for the Upper Colorado and San Juan Endangered Fish Recovery Program and ensures ESA compliance for 2,500 water projects.

## NEW PROJECT/PROGRAM STARTS

*Cooperative Environmental Water Transactions Program Development (EBID 0203–12–036170)**Fiscal Year 2014 Request—\$70,000 DOI (Fish and Wildlife Service)*

## PREPARED STATEMENT OF OPERA AMERICA

Mr. Chairman and distinguished members of the subcommittee, OPERA America is grateful for the opportunity to submit testimony on behalf of OPERA America, its Board of Directors and its 2,000 organizational and individual members. We strongly urge the subcommittee to designate a total of \$155 million to the National Endowment for the Arts (NEA) for fiscal year 2014. This testimony and the funding examples described below are intended to highlight the importance of Federal investment in the arts, so critical to sustaining a vibrant cultural community throughout the country.

Opera is a continuously growing art form that can address the diverse needs and backgrounds of our communities. New opera companies are being established in communities that have never before had access to live performances. Seventy percent of the opera companies in existence today have been established since 1960. The growth of the field corresponds to the establishment and growth of the NEA. Over the last 20 years, a rich repertoire of American operas has been created by composers who communicate the American experience in contemporary musical and dramatic terms. The growth in number and quality of American operas corresponds directly to the investment of the NEA in the New American Works program of the former Opera-Music Theater Program.

Beyond the opera house, opera companies are finding new and exciting ways to bring the essence of opera to other local theaters and community centers, frequently with new and innovative works that reflect the diverse cultures of the cities they serve. Strong partnerships with local schools, too, extend the civic reach of opera companies as they introduce children to another multi-media art form and discover promising young talent.

## THE NEA IS A GREAT INVESTMENT IN THE ECONOMIC GROWTH OF EVERY COMMUNITY

Despite diminished resources, including a budget that has decreased by almost \$30 million since 2010, the NEA awards more than 1,000 grants annually to non-profit arts organizations for projects that encourage artistic creativity and community accessibility. These grants help nurture the growth and artistic excellence of

thousands of arts organizations and artists in every corner of the country. NEA grants also preserve and enhance our Nation's diverse cultural heritage. The modest public investment in the Nation's cultural life results in both new and classic works of art, reaching the residents of all 50 States and in every congressional district.

The return of the Federal Government's small investment in the arts is striking. The nonprofit arts industry generates \$135.2 billion annually in economic activity (\$61.1 billion by the Nation's nonprofit arts and culture organizations), supports 4.13 million full-time equivalent jobs, and returns \$22.3 billion in revenue to local, State, and Federal governments each year. Measured against collective arts allocations of \$4 billion, that's a return of more than five to one. Few other Federal investments realize such economic benefits, not to mention the intangible benefits that only the arts make possible. Even in the face of tremendous cutbacks in the recent years, the NEA continues to be a beacon for arts organizations across the country.

The return on investment is not only found in dollar matches. The average city and county reports that nonprofit arts and culture organizations had 5,215 volunteers who donated 201,719 hours. These volunteer hours have a value of approximately \$4.5 million—a demonstration that citizens value the arts in their communities.

#### NEA GRANTS AT WORK

Past NEA funding has directly supported projects in which arts organizations, artists, schools and teachers collaborated to provide opportunities for adults and children to create, perform, and respond to artistic works. NEA funding has also made the art form more widely available in all States, including isolated rural areas and inner cities; indeed, NEA funded projects cross all racial, geographic, and socio-economic lines.

NEA grants are awarded to dance organizations through its core programs: Art Works; Challenge America Fast Track Grants; and Federal/State Partnerships. In 2013, the NEA funded or has recommended funding 60 grants, totaling almost \$2 million, to the opera discipline under the Art Works funding category.

The following are some examples of the impact of NEA funding on opera programs from the NEA's 2012 Art Works Program:

##### *Atlanta Opera, \$12,500, Atlanta, Georgia*

To support the Studio Touring Production for Middle School Youth, a new educational initiative. For the first time, the organization will reach middle-school students with a program featuring the bilingual opera *En Mis Palabras* (In My Own Words), about the teenage immigrant experience.

##### *Des Moines Metro Opera, \$20,000, Indianola, Iowa*

To support the OPERA Iowa Touring Educational Troupe reaching undeserved rural schools in the Midwest.

##### *Minnesota Opera, \$40,000, Minneapolis, Minnesota*

To support the world premiere of Douglas J. Cuomo and John Patrick Shanley's *Doubt*. Based on the Pulitzer Prize and Tony Award-winning play and Oscar-nominated motion picture, the production will be conducted by Christopher Franklin with stage direction by Kevin Newbury.

##### *Opera Memphis, \$15,000, Memphis, Tennessee*

To support 30 Days of Opera, a new opera festival. Activities will include concerts, educational workshops at community centers, pop-up opera on street corners and in parks, and back-stage tours of the costume and scenic shops at the opera house.

##### *Palm Beach Opera, \$15,000, West Palm Beach, Florida*

To support the training activities, mainstage productions, and community outreach of the Palm Beach Young Artist Program. The educational curriculum will include voice lessons, master classes, and movement classes, as well as performance opportunities in mainstage roles and in numerous outreach programs, including "One Opera in One Hour," "Lunch & Learn," and "Concerts for the Classroom."

##### *Santa Fe Opera, \$60,000, Santa Fe, New Mexico*

To support a new production of *Oscar*, the co-commission and co-production with Opera Philadelphia based on the life and words of Oscar Wilde, brought to the stage by the creative team of director Kevin Newbury, composer Theodore Morrison, with a libretto by Theodore Morrison and John Cox.

*Virginia Opera, \$22,500, Norfolk, Virginia*

To support a new production of Andre Previn's *A Streetcar Named Desire*, to launch the "Made in America" series, and based on the Pulitzer Prize-winning play by Tennessee Williams.

More than half of OPERA America's member companies were established after 1970 (corresponding to the establishment of the NEA) and more than 40 percent were established since 1980, indicating the growth of opera throughout in the last 40 years. In the 2010 and 2011 calendar years, OPERA America's members were involved with 35 world premieres and 369 new operatic works—have been produced in North America since 2000.

Over 6.5 million people attended a live performance at one of OPERA America's company members during the 2010–2011 season, including educational and outreach programs, as well as festivals. During the same season, members of OPERA America presented 1,070 mainstage, festival, educational, and other productions. The collective expenses of members totaled \$687 million; total Government support amounted to \$36 million, representing 5 percent of total operating income. This represents a return on investment of 19 to 1.

Despite overwhelming support by the American public for spending Federal tax dollars in support of the arts, the NEA has never recovered from a 40 percent budget cut in the mid-nineties and found its budget further decreased by \$22 million in the past 2 years, leaving its programs seriously underfunded. We urge you to continue toward restoration and increase the NEA funding allocation to \$155 million for fiscal year 2013.

On behalf of OPERA America, thank you for considering this request.

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PREPARED STATEMENT OF THE OUTDOOR INDUSTRY ASSOCIATION

On behalf of the Outdoor Industry Association and our more than 1,300 member companies, I write to urge you to support modest and sustainable funding for the recreation and preservation programs of the Department of the Interior, the U.S. Forest Service and the EPA.

The strength of our national economy is directly linked to the treasures that are our parks, forests, waterways, wildlife refuges, recreational trails and similar recreation assets. These public lands and waters are deeply popular with American families nationwide. Moreover, they represent a foundational infrastructure for recreation just as important as highways are to the transportation industry or fiber optic lines are to the telecommunications industry. A national outdoor recreation system of diverse, accessible, affordable places for every American to get outdoors and enjoy healthy lifestyles is crucial to the health and well being of the American people and our economy.

Rather than compounding our deficit problems, our national outdoor recreation system produces exceptional economic value and jobs in communities across the country. Our public lands and waters drive a recreational economy that generates \$646 billion in direct consumer spending, supports more than 6 million sustainable American jobs, and generates more than \$80 billion in Federal, State and local tax revenue. At the local level, resources invested in recreational trail infrastructure, river access and other open space have an impressive and sustainable return for local economies, especially those in rural areas.

In real terms, Federal spending on natural resources and recreation programs has declined over the last 20 years. This program area comprised only about 1 percent of the total Federal budget for fiscal year 2012. Natural resources, recreation, bicycling, and community development programs are, at best, paltry contributors to the Federal deficit yet they have been disproportionately targeted for cuts in the past. We believe this should be avoided as Congress begins consideration of the fiscal year 2014 Federal appropriations. Instead, these programs need to be recognized as shining examples of the type of sound investment that the Federal Government should pursue.

In order to support a strong economy and foster happy, healthy families and communities, we urge Congress to recognize the importance and value of the investments in the natural resources, recreation, conservation, and preservation programs found in the budgets for the Department of the Interior, the Forest Service, and the EPA.

Please provide adequate funding for the our Nation's public lands and waters as outlined below:

[Dollars in millions]

Department/Program	Fiscal Year 2012 Enacted	Fiscal Year 2014 Proposed	OIA Request
Land and Water Conservation Fund (Total) .....	\$322	\$600	\$900
Federal Land Acquisition (Interior & Agriculture (USFS) .....	199.1	356	356
Cooperative Endangered Species Conservation Fund .....	25	84	84
NPS State Grants .....	44.9	60	60
Urban Parks and Recreation Recovery Grants .....	0	15	15
Forest Legacy Program (USFS) .....	53.3	84.8	84.8
Department of the Interior:			
Youth Programs (department-wide) .....	42	54	54
Land Management Operations (NPS, BLM, FWS) .....	4,535	4,675.8	4,675.8
Partnership Program .....	100	104	104
Rivers, Trails, Conservation Assistance .....	9.9	10.1	10.1
Historic Preservation and Battlefield Grants .....	57.3	50.3	57.3
Reclamation River Restoration .....	154	120.2	154
Agriculture—National Forest System (USFS): Recreation, Heritage and Wilderness .....	281	261	281
EPA—Protecting America's Waters .....	2,799	2,479	2,479
Total .....	9,984.3	9,993.2	10,696

Healthy and productive communities offer lasting good jobs and easy access to parks, trails and other places to play. There is no doubt that people use green spaces when they're available, well maintained and close at hand. A growing body of evidence demonstrates that access to green spaces has significant economic and health benefits.

—After investing in public space restoration and development, the city of Ogden, Utah, added more jobs than any other region in the country in 2011, with more than 8,000 new jobs flowing into the community. In addition, the city has scored more than \$1.2 billion in investment, while lowering taxes three times. And crime has dropped by 33 percent, which is more than double the national average rate.

—In Cincinnati, Ohio, research found that homeowners were willing to pay a premium of \$9,000 on houses that were within 1,000 feet of bike paths.

—As part of its turnaround strategy, Pittsburgh, Pennsylvania, created the Allegheny Riverfront Green Boulevard, “a multi-modal transportation corridor that includes park access, open space programming, neighborhood design, storm water management and habitat restoration.”

—The State of Arkansas awarded \$1.2 million in 50/50 match grants in 2012 to foster outdoor recreation, recognizing its potential benefits to the economy and residents' quality of life.

Outdoor recreation and the outdoor industry are a core economic sector in America, driven by innovation and technology. Sustainable American jobs exist across the value chain—suppliers, manufacturers, retailers, sales representatives. Moreover, outdoor recreation is an industry that America dominates worldwide. The world looks to America as the leader in the protection of our public lands and waters and looks to American brands for innovative outdoor products, gear, apparel and footwear.

A healthy and diverse outdoor recreation economy promotes economic activity and jobs in every community—large and small, urban and rural—across America. Outdoor recreation and the places that Americans get outside—parks, trails, rivers and open space—are critical economic drivers and essential to a high quality of life. Cutting funding that supports those quality places directly and adversely impacts not just the outdoor industry, but a diversity of other industries and myriad associated businesses that chose their location, in large part, on accessible, healthy public lands and watersheds and outdoor spaces to be enjoyed by their workforce. Conversely, investing in these quality lands and waters promises significant economic growth for both the outdoor industry and the many associated businesses that choose to locate near public lands and outdoor spaces in order to improve the quality of life experience for their employees.

Please promote a strong economy and happy, healthy families and communities by investing in our Nation's parks, trails, rivers and open spaces.



## PREPARED STATEMENT OF THE OREGON WATER RESOURCES CONGRESS

The Oregon Water Resources Congress (OWRC) is concerned about continued reductions to the U.S. Environmental Protection Agency's (EPA) Clean Water State Revolving Fund Loan Program (CWSRF) and is requesting that appropriations for this program be increased to at least \$2 billion in fiscal year 2014. The CWSRF is an effective loan program that addresses critical water infrastructure needs while benefiting the environment, local communities, and the economy. OWRC is also concerned about various efforts by EPA to increase regulatory authority over water resources planning and urges the Senate to take action and prevent further jurisdictional overreach. EPA's actions to increase its jurisdiction are counterproductive to collaborative planning and detract from the positive solutions achieved through the CWSRF program.

OWRC is a nonprofit association representing irrigation districts, water control districts, improvement districts, drainage districts and other local government entities delivering agricultural water supplies. These water stewards operate complex water management systems, including water supply reservoirs, canals, pipelines, and hydropower production, and deliver water to roughly one-third of all irrigated land in Oregon. OWRC has been promoting the protection and use of water rights and the wise stewardship of water resources on behalf of agricultural water suppliers for more than 100 years.

## FISCAL YEAR 2014 APPROPRIATIONS

We recognize that our country is facing difficult economic times and that we must make strategic investments with scarce resources. The CWSRF is a perfect example of the type of program that should have funding increased because it creates jobs while benefiting the environment, aids with proactive asset management, and is an efficient return on taxpayer investment. Oregon is facing record levels of unemployment and the CWSRF funded projects provide much needed construction and professional services jobs. Moreover, as a loan program, it is a wise investment that allows local communities to leverage their limited resources and address critical infrastructure needs that would otherwise be unmet.

Nationally, and in Oregon, there are substantial unmet water infrastructure needs. In Clean Watersheds Needs Survey 2008: Report to Congress and Drinking Water Infrastructure Needs Survey and Assessment: Fourth Report to Congress, EPA estimated that the funding need for drinking water infrastructure totaled \$335 billion (in 2007 dollars) and wastewater infrastructure needs totaled \$298 billion (in 2008 dollars). Appropriations for water infrastructure, specifically the CWSRF, should not be declining but remaining strong, and growing, in order to meet these critical needs. The President's fiscal year 2014 budget proposes only \$1.1 billion for the CWSRF program, a \$472 million reduction from fiscal year 2012. This is an inadequate amount in light of the enormity of the infrastructure needs nationally. There has not been an increase since 2009 while both the infrastructure needs and the costs to address continue to grow. Continued funding reductions have led to delaying repairs or upgrades which increases potential for catastrophic failure and is counterproductive to the administration's desire to encourage asset management and sustainable water infrastructure. We are deeply concerned about this negative downward trend and urge you to reverse course and increase funding for this valuable program.

## CWSRF SUCCESS AND NEEDS IN OREGON

Six OWRC member districts have successfully received loans from the CWSRF over the last several years and many more will apply if funds are available. Numerous irrigation districts and other water suppliers are taking proactive approaches to addressing non-point source issues by piping open canals, which improves water quality by eliminating potential run-off, and increasing water availability for both irrigators and fish and wildlife. Oregon's Department of Environmental Quality (DEQ) has also recently revised their CWSRF rules, which will create greater opportunities for water quality improvement projects that yield both environmental and economic benefits. However, reduced Federal funding has created uncertainty for potential program applicants and there continues to be more applicants than available funding.

What is being proposed for fiscal year 2014 CWSRF appropriations is far short of what is needed to address critical water infrastructure needs in Oregon and across the Nation. The DEQ's most recent "Proposed Intended Use Plan Update #2—State Fiscal Year 2013," lists 14 projects in need of a total of \$30,914,491 in Oregon alone. The fiscal year 2013 capitalization grant available to DEQ is

\$7,370,000, roughly half of the fiscal year 2012 appropriations DEQ received. Currently, two irrigation districts have submitted applications for funding to complete projects that will not only benefit the environment and the patrons served by the water delivery system, but also benefit the economy. These projects include:

—*Central Oregon Irrigation District.*—This project would provide 4,500 feet of new pipeline to carry irrigation water currently in open canal which will lead to water efficiency consistent with EPA's green project reserve guidance. Request: \$3,250,000

—*Three Sisters Irrigation District.*—This project would design and construct approximately 5.3 miles of HDPE 42-inch pipe to remove irrigation water from open canals which will lead to water efficiency consistent with EPA's green project reserve guidance. Request: \$2 million

We support the administration's efforts to expand "green infrastructure" options and encourage sustainable water infrastructure. In fact, irrigation districts and other water suppliers in Oregon are on the forefront of "green infrastructure" through innovative piping projects that provide multiple environmental benefits. Four irrigation districts received more than \$11 million funding in Oregon from the 2009 American Recovery and Reinvestment Act (ARRA) funding through the CWSRF for projects which created valuable jobs while improving water quality. These four projects were essential to DEQ not only meeting but exceeding the minimum requirement that 20 percent of the total ARRA funding for the CWSRF be used for "green" projects. Our districts continue to be on the forefront of innovation and are often the only projects that qualify for the green project reserve. However, continually reducing the amount of funds available for these worthwhile projects is counterproductive to the administration's desire to incentivize green infrastructure and has created increased uncertainty for potential borrowers about whether adequate funding will be available in future years.

CWSRF is often an integral part of an overall package of State, Federal and local funding that necessitates a stronger level of assurance that loan funds will be available for planned water infrastructure projects. CWSRF reductions can lead to loss of grant funding and delay or derail beneficial projects that irrigation districts have been developing for years. OWRC supports the creation of an infrastructure bank, but the needs facing communities now cannot wait for a new funding mechanism, particularly when the CWSRF has worked very efficiently in Oregon. The CWSRF has been an extremely valuable tool in Oregon for improving water quality and efficiently addressing infrastructure challenges that are otherwise cost-prohibitive.

#### THE IMPORTANCE AND SUCCESS OF LOCAL WATERSHED PLANNING

In addition to advocating for increases to the CWSRF program, OWRC is supportive of funding and technical assistance for States to conduct watershed planning activities. Oregon is the model for watershed planning and does not need a new Federal agency or executive branch office to continue watershed planning—but we could use Federal assistance in implementing priority activities. Planning activities are conducted through local watershed councils, volunteer-driven organizations that work with local, State and Federal agencies, economic and environmental interests, agricultural, industrial and municipal water users, local landowners, tribes, and other members of the community. There are more than 60 individual watershed councils in Oregon that are already deeply engaged in watershed planning and restoration activities.

Oregon's success in watershed planning illustrates that planning efforts work best when diverse interests develop and implement plans at the local watershed level with support from State and Federal government. However, we continue to be concerned about EPA (and CEQ) efforts to revise Clean Water Act Guidance without appropriate public process or legislative oversight. The proposed changes would greatly broaden EPA authority and illustrate an apparent desire to dictate watershed planning methods for the Nation using a top-down regulatory approach from a desk in Washington, DC. This regulatory overreach will lead to uncertainty for landowners and water users, increased litigation and destroy collaborative efforts (including CWSRF projects) already underway in Oregon and across the Nation. Furthermore, funding for these types of regulatory activities should be extensively reviewed and not come at the expense of valuable and established programs like the CWSRF.

#### CONCLUSION

We strongly support the CWSRF program and urge you to increase funding so that additional innovative, environmentally and economically beneficial water quality projects can be implemented in Oregon and nationally. The voluntary, pro-active

approach of the CWSRF program creates and promotes collaborative solutions to water resources challenges. Conversely, regulatory overreach destroys cooperation, creates mistrust and has a very negative effect on jobs and local economies. Last, increasing CWSRF program funding is a smart investment that will help leverage other sources of funding to address critical water infrastructure needs. We respectfully request the appropriation of at least \$2 billion for the U.S. Environmental Protection Agency's Clean Water State Revolving Loan Fund for fiscal year 2014.

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PREPARED STATEMENT OF THE PACIFIC NORTHWEST FISH HEALTH PROTECTION  
COMMITTEE

I am writing to you on behalf of the Pacific Northwest Fish Health Protection Committee (PNFHPC). The PNFHPC was formed in 1984 and is a consortium of representatives from natural resource management agencies including Treaty Tribes and commercial fish producers from the Pacific Northwest. The committee is a forum, operating on a consensus basis to discuss and resolve fish health issues, to disseminate research findings/educational material and to communicate openly on all matters as they relate to the production of healthy wild and cultured fish. Members within the PNFHPC include representatives from Alaska, California, Idaho, Montana, Oregon and Washington, USFWS, NOAA-Fisheries, Pacific Northwest Tribes, the private fish production sector, with observers from British Columbia, Canada and valuable participation from educational institutions, private and public research laboratories, resource managers and conservation groups within the Pacific Northwest and other regions.

The PNFHPC wishes to express their serious concern regarding the fiscal year 2014 President's budget that proposes a \$400,000 reduction in funding for the U.S. Fish and Wildlife Service's Aquatic Animal Drug Approval Partnership (AADAP) program. AADAP serves a unique and necessary Federal role in aquaculture drug approvals, and exemplifies the U.S. Fish and Wildlife's stated principles of leadership, sound science, and fulfilling its partners' needs.

U.S. aquaculture is worth more \$1 billion annually, and U.S. aquaculture farms employ more than 10,500 Americans with a payroll of nearly \$169 million. The FAO estimates that for every person directly employed in the fisheries and aquaculture sector, 3-4 additional jobs are supported indirectly in related industries. The aquaculture jobs sector is growing and providing food security and jobs throughout the world. Without a strong and growing aquaculture industry, the United States faces an increasingly insecure seafood supply: 86 percent of seafood consumed in the United States is imported, creating a seafood deficit of over \$10.4 billion annually.

The mission of PNFHPC, in part, is to provide a unified regional forum for fish health issues as they relate to aquaculture. The aquaculture industry is subject to numerous regulatory burdens, including the U.S. Food and Drug Administration's regulation of aquatic animal drugs needed to ensure the health and well-being of farmed fish, as well as food safety. The market for aquaculture drugs offers pharmaceutical companies little return on investment, and the aquaculture industry relies on public partners for access to these tools. The AADAP program coordinates the efforts of numerous stakeholders, including members of the PNFHPC, to secure aquaculture drug approvals, and aids public and private fish culture operations by allowing for monitored, legal access to drugs in development. AADAP is one of the few Federal programs providing needed support to an industry which faces significant and unique challenges related to animal health and risk management.

The PNFHPC recognizes the challenges of the current fiscal climate, but loss of leadership and capacity within the AADAP program will prevent public and private fish culture operations from accessing the tools they need to provide the American public with safe, wholesome seafood. The proposed reductions will effectively terminate the AADAP research program. Without this program the finfish aquaculture drug approval process in the United States will be halted. We strongly encourage you to fully support the AADAP program at a funding level of \$1.2 million and ensure the current and future needs of commercial aquaculture continue to be met. Thank you for your consideration of our position.

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PREPARED STATEMENT OF THE PARTNERSHIP FOR THE NATIONAL TRAILS SYSTEM

Mr. Chairman and members of the subcommittee: The Partnership for the National Trails System appreciates your support over the past 19 years, through operations funding and dedicated Challenge Cost Share funds, for the national scenic and historic trails administered by the National Park Service. We also appreciate your increased allocation of funds to support the trails administered and managed

by the Forest Service and for the trails in the Bureau of Land Management's National Landscape Conservation System. To continue the progress that you have fostered, the Partnership requests that you provide annual operations funding for each of the 30 national scenic and historic trails for fiscal year 2014 through these appropriations:

- National Park Service*.—\$16.21 million for administration of 23 trails and for coordination of the long-distance trails program by the Washington office. Construction: \$380,000 for the Ice Age Trail and \$200,000 for the Pacific Crest Trail.
- USDA Forest Service*.—\$9.096 million to administer 6 trails and \$1.2 million to manage parts of 16 trails administered by the NPS or BLM. \$1 million for Iditarod Trail construction.
- Bureau of Land Management*.—To coordinate its National Trails System Program: \$250,000; to administer these trails: Iditarod Trail: \$700,000, the Camino Real de Tierra Adentro Trail: \$230,000, the Old Spanish Trail: \$350,000 and to manage portions of 13 trails administered by the Park Service or the Forest Service: \$4 million; \$3,140,000 for operating five National Historic Trail interpretive centers; Construction: \$300,000 for the Pacific Crest Trail.
- We ask that you appropriate \$4.5 million for the National Park Service Challenge Cost Share Program and continue to direct one-third (\$1.5 million) for national scenic and historic trails or create a separate \$1.5 million National Trails System Challenge Cost Share Program.
- We ask that you add \$500,000 to the Bureau of Land Management's Challenge Cost Share Program and allocate it for the national scenic and historic trails it administers or manages.

We ask that you appropriate \$61,601,508 from the Land and Water Conservation Fund for the acquisition of 119 tracts along seven national scenic and four national historic trails described in the National Trails System Collaborative Landscape Planning proposal and allocate this funding to:

- the Bureau of Land Management: \$5,722,260;
- the U.S. Fish and Wildlife Service: \$12,660,782;
- the U.S. Forest Service: \$18,215,866; and
- the National Park Service: \$25,002,600.

#### NATIONAL PARK SERVICE

The \$16.21 million we request for Park Service operations includes increases for some of the trails to continue the progress and new initiatives made possible by the additional funding Congress provided several years ago. Funding for the new Star Spangled Banner and Washington-Rochambeau Trails and \$400,000 for the Park Service to implement planning for the New England Trail is included.

We request an increase of \$626,000 to expand Park Service efforts to protect cultural landscapes at more than 200 sites along the Santa Fe Trail, to develop GIS mapping, and to fund public educational outreach programs of the Santa Fe Trail Association. An increase of \$780,000 for the Trail of Tears will enable the Park Service to work with the Trail of Tears Association to develop a GIS to map the Trail's historical and cultural heritage sites to protect them and to develop interpretation of them for visitors. We request an increase of \$346,000 to \$866,000 for the Ala Kahakai Trail to enable the Park Service to work with E Mau Na Ala Hele, the Ala Kahakai Trail Association, and other community organizations to care for resources on the land and with the University of Hawaii to conduct archaeological and cultural landscape studies along this trail.

We request an increase of \$193,000 to \$1,708,000 for the Appalachian Trail to expand the highly successful "Trail to Every Classroom" program of the Appalachian Trail Conservancy. The \$1,483,000 we request for the 4,200 mile North Country Trail will enable the Park Service to provide greater support for the regional GIS mapping, trail building, trail management, and training of volunteers led by the North Country Trail Association. The \$1,389,000 we request for the Ice Age Trail includes a \$535,000 increase to build partner and citizen capacity for protecting the natural and cultural resources on the Trail and Ice Age Trail lands and to provide NPS with a property manager for NPS-owned lands.

*Construction*.—We request that you appropriate for trail construction projects \$380,000 for the Ice Age Trail and \$200,000 for the Pacific Crest Trail in the national parks crossed by the trail.

Challenge Cost Share programs are one of the most effective and efficient ways for Federal agencies to accomplish a wide array of projects for public benefit while also sustaining partnerships involving countless private citizens in doing public service work. We request that you robustly fund the Park Service, Bureau of Land

Management, and Fish and Wildlife Service Challenge Cost Share programs and appropriate \$4.5 million in Challenge Cost Share funding to the Park Service for fiscal year 2014 as a wise investment of public money that will generate public benefits many times greater than its sum. We ask you to continue to direct one-third of the \$4.5 million for the national scenic and historic trails to continue the steady progress toward making these trails fully available for public enjoyment. We suggest, as an alternative to the annual allocating of funds from the Regular Challenge Cost Share program, that you create a separate National Trails System Challenge Cost Share program with \$1.5 million funding.

USDA—FOREST SERVICE

We ask you to appropriate \$9.096 million as a separate budgetary item specifically for the Arizona, Continental Divide, Florida, Pacific Crest, and Pacific Northwest National Scenic Trails and the Nez Perce National Historic Trail within the overall appropriation for Capital Improvements and Maintenance for Trails. Recognizing the on-the-ground management responsibility the Forest Service has for 1,024 miles of the Appalachian Trail, more than 650 miles of the North Country Trail, and sections of the Ice Age, Anza, Caminos Real de Tierra Adentro and de Tejas, Lewis & Clark, California, Iditarod, Mormon Pioneer, Old Spanish, Oregon, Overmountain Victory, Pony Express, Trail of Tears and Santa Fe Trails, we ask you to appropriate \$1.2 million specifically for these trails.

The Partnership's request of \$9.096 million includes \$2.5 million to enable the Forest Service and Florida Trail Association to continue trail maintenance, to control invasive species, do ecosystem restoration, and otherwise manage 4,625 acres of new Florida Trail land. The \$9.096 million request also includes \$2 million for the Pacific Crest Trail, \$2.2 million for the Continental Divide Trail, \$1 million for the Pacific Northwest Trail, \$826,000 for the Nez Perce Trail, and \$570,000 for the Arizona Trail. Some of the additional funds requested will enable the Forest Service to develop Comprehensive Management Plans for the latter three trails. We also request \$1 million of additional funding for construction of sections of the Iditarod Trail.

BUREAU OF LAND MANAGEMENT

Although considerably more money is needed to fully administer the National Landscape Conservation System and protect its resources, we support the \$69.549 million in base funding for the System the administration requested for fiscal year 2013. We ask that you appropriate as new permanent base funding \$250,000 for National Trails System Program Coordination, \$700,000 for the Iditarod Trail, \$230,000 for El Camino Real de Tierra Adentro Trail, \$350,000 for the Old Spanish Trail, and \$4,000,000 for the Bureau of Land Management to manage 3,756 miles of 13 other national scenic and historic trails. For trail maintenance we request \$300,000 for the Pacific Crest Trail and \$50,000 for the Nez Perce Trail; and request \$3,140,000 to operate five historic trails interpretive centers.

We ask you to provide \$19 million for the Bureau's Challenge Cost Share program and to direct \$500,000 for National Trails System projects as you have done with the Park Service's CCS program.

To promote greater management transparency and accountability for the National Trails and the whole National Landscape Conservation System, we urge you to request expenditure and accomplishment reports for each of the NLCS Units for fiscal year 2013 and to direct the Bureau to include unit-level allocations within major sub-activities for each of the scenic and historic trails, and wild and scenic rivers—as the Bureau has done for the monuments and conservation areas—within a new activity account for the National Landscape Conservation System in fiscal year 2014. The Bureau's lack of a unified budget account for National Trails prevents the agency from efficiently planning, implementing, reporting, and taking advantage of cost-saving and leveraging partnerships and volunteer contributions for every activity related to these national resources.

LAND AND WATER CONSERVATION FUND

The Partnership requests that you provide the authorized \$900 million for the Land and Water Conservation Fund and within this amount \$61,601,508 for the National Trails System Collaborative Landscape Planning proposal to acquire 119 tracts along the 11 national scenic and historic trails detailed here:

*Bureau of Land Management: \$5,722,260, 19 tracts, 3,687 acres*

*Nez Perce and Lewis and Clark National Historic Trails (Idaho and Montana).*—\$1,630,000 to protect natural and archaeological resources along two historic trails at Cow Island, Cow Creek, and Lolo Creek.

*Pacific Crest National Scenic Trail (Oregon and California).*—\$4,092,260 for trail and resource protection within the Cascade Siskiyou National Monument, San Geronio Wilderness, and Whitewater Area of Critical Environmental Concern.

*U.S. Fish and Wildlife Service: \$12,660,782, 8 tracts, 3,433 acres*

*Appalachian National Scenic Trail (Pennsylvania).*—\$4,300,000 for watershed, viewshed, and globally rare habitat protection along Kittatinny Ridge in the Delaware Water Gap of Cherry Valley National Wildlife Refuge.

*El Camino Real de Tierra Adentro National Historic Trail (New Mexico).*—\$6,860,782 for resource protection and acquisition of water rights for Middle Rio Grande National Wildlife Refuge, the southwest's first urban national wildlife refuge.

*Lewis and Clark National Historic Trail (Washington).*—\$1,500,000 for protection of an intact historic setting representing what the Corps of Discovery saw and experienced, and improved protection of a threatened habitat type.

*U.S. Forest Service: \$18,215,866, 70 tracts, 5,203 acres*

*Appalachian National Scenic Trail (North Carolina, Tennessee, Virginia).*—\$5,450,000 to protect priority viewsheds and unique, quality high-elevation ecosystems in the Pisgah, Cherokee, and George Washington National Forests.

*Continental Divide National Scenic Trail (Colorado).*—\$199,300 to provide trail connectivity, conserve alpine landscapes, and protect watersheds critical to Denver's water supply.

*Florida National Scenic Trail (Florida).*—\$1,776,675 to protect the remaining 3 miles of gaps along the 70-mile Suwannee River section and complete resource protection for critical habitat, including riparian lands.

*Pacific Crest National Scenic Trail (California, Oregon, Washington).*—\$10,789,891 for trail and resource protection along the crest of the Cascades and Sierras, and the Transverse Desert Ranges from the edge of the Anza-Borrego Desert in southern California to the Okanogan-Wenatchee National Forest in northern Washington.

*National Park Service: \$25,002,600, 22 tracts, 5,349 acres*

*Ala Kahakai National Historic Trail (Hawaii).*—\$4,250,000 to protect 59 acres along the Kona Coast with numerous historical and archaeological sites and a section of the Ala Kahakai National Historic Trail.

*Appalachian National Scenic Trail (Pennsylvania and Vermont).*—\$3,700,000 for watershed, viewshed, and globally rare habitat protection along Kittatinny Ridge in the Delaware Water Gap of Cherry Valley National Wildlife Refuge and for an inholding in the Green Mountain National Forest.

*Continental Divide National Scenic Trail (New Mexico).*—\$5,300,000 to re-route the CDNST off of roads onto lands that will afford spectacular views of an access to nationally significant volcanic landscapes in El Malpais National Monument.

*Ice Age National Scenic Trail (Wisconsin).*—\$3,780,000 for protection of a continuous corridor for hikers, wildlife, and management along the Eau Claire River, at the edge of the Driftless Area and within the renowned Kettle Moraine.

*New England National Scenic Trail (Connecticut and Massachusetts).*—\$4,000,000 for trail and resource protection on two key parcels that provide campsites for hikers, connections to two community centers and a contiguous open space corridor.

*Nez Perce National Historic Trail (Oregon and Montana).*—\$1,210,000 to preserve trail and archaeological sites at the Bloody Gulch of Big Hole National Battlefield and at Old Joseph Minam State Park.

*North Country National Scenic Trail (Pennsylvania and Wisconsin).*—\$2,762,600 for key trail connections between Moraine State Park and McConnell's Mill State Park in western Pennsylvania, and along the Lake Superior shoreline in Wisconsin.

The Partnership strongly supports the new "National Rivers and Trails Initiative" funding line included in the National Park Service budget for fiscal year 2013 as a first step to providing consistent annual funding to acquire the land needed to complete congressionally authorized trails. We urge you to provide considerably more than the \$4 million requested by the administration for fiscal year 2013 since the Park Service LWCF funding requests above total more than \$25 million.

## PRIVATE SECTOR SUPPORT FOR THE NATIONAL TRAILS SYSTEM

Public-spirited partnerships between private citizens and public agencies have been a hallmark of the National Trails System since its inception. These partnerships create the enduring strength of the Trails System and the trail communities that sustain it by combining the local, grassroots energy and responsiveness of volunteers with the responsible continuity of public agencies. They also provide private financial support for public projects, often resulting in a greater than equal match of funds.

The private trail organizations' commitment to the success of these trail-sustaining partnerships grows even as Congress' support for the trails has grown. In 2012 the trail organizations fostered 1,185,375 hours—an increase of 2.4 percent more than 2011—of documented volunteer labor valued at \$26,244,202 to help sustain the national scenic and historic trails. The organizations also raised private sector contributions of \$7,565,777 to benefit the trails.

## PREPARED STATEMENT OF THE PUYALLUP TRIBE OF INDIANS

Mr. Chairman and members of the subcommittee, thank you for the opportunity to provide testimony on the fiscal year 2014 appropriations for American Indian and Alaskan Native programs. My name is David Z. Bean, Tribal Council Member for the Puyallup Tribe of Indians. The Puyallup Tribe is an independent sovereign nation having historically negotiated with several foreign nations including the United States in the Medicine Creek Treaty of 1854. This relationship is rooted in Article I, section 8, of the United States Constitution, Federal laws and numerous Executive orders. The governing body of the Puyallup Tribe of Indians is the Puyallup Tribal Council, which upholds the Tribe's sovereign responsibility of self-determination and self-governance for the benefit of the 4,416 Puyallup tribal members and the 25,000 plus members from approximately 355 federally recognized Tribes who utilize our services. The Puyallup Reservation is located in the urbanized Seattle-Tacoma area of the State of Washington. The 18,061-acre reservation is a "checkerboard" of tribal lands, Indian-owned fee land and non-Indian-owned fee land. Our reservation land includes parts of six different municipalities (Tacoma, Fife, Milton, Puyallup, Edgewood, and Federal Way).

The following written testimony being submitted to the U.S. Senate Appropriations subcommittee documents the Puyallup Tribe's views on the President's fiscal year 2014 Federal budget. On April 10, 2013, President Obama delivered his delayed fiscal year 2014 budget to Congress. The budget proposal focuses on job creation and the beginning steps to reducing the Nation's projected deficits. Within the budget, \$2.183 billion is provided for the Operation of Indian Programs. This represents an overall increase of \$37.2 million over the fiscal year 2012 enacted level. For the Indian Health Service, \$5.5 billion is provided, an increase of \$116 million over the fiscal year 2012 enacted level. We appreciate the increased funding provided for the operation of Indian programs within the Bureau of Indian Affairs and the Indian Health Service. However, the years of inadequate funding, negative effects of inflation and the impacts of sequestration on the fiscal year 2013 and fiscal year 2014 funding levels will impact the tribe's ability to fully exercise self-determination and self-governance. As negotiations proceed on the fiscal year 2014 budget and future appropriations, efforts to ensure adequate funding is provided for the operation of Indian programs will be paramount. To preserve increased funding levels realized in recent years and contained in the proposed fiscal year 2014 budget for the Bureau of Indian Affairs and the Indian Health Service, Congress and the administration should view these increases as new "base funding" and be held harmless from across the board cuts to programs that have been historically underfunded. Specific issues and needs are:

## DEPARTMENT OF THE INTERIOR—BUREAU OF INDIAN AFFAIRS

*Public Safety and Justice.*—The fiscal year 2014 budget request includes \$363.4 million for BIA Public Safety and Justice. This represents a \$19.9 million increase over the fiscal year 2012 enacted level, which is fully supported by the Puyallup Tribe. The \$96.9 million for Tribal and BIA detention and corrections funding is of great importance to the Puyallup Tribe. Within this amount, \$13.4 million increase will be directed to fund staffing, training, operations and O&M costs at newly constructed tribally operated detention facilities. While this increase is supported by the Puyallup Tribe, it is of concern that current and ARRA funded facilities will remain understaffed and underfunded. The Department of Justice funded 13 tribes for the construction and/or expansion of detention facilities. According to the BIA

Greenbook, five new or expanded facilities will become operational by the end of fiscal year 2013, with additional facilities coming on-line in fiscal year 2014. It is estimated that 291 additional staff will be needed to operate these facilities. In fiscal year 2009, the Puyallup Tribe received a Department of Justice ARRA grant, in the amount of \$7.9 million to construct a 28-bed adult corrections facility. The Tribe has addressed all special Terms and Conditions of the Grant Award, completed facility environmental documentation, design, executed final construction contracts and performed the Groundbreaking Ceremony on March 28, 2013. The Project will be completed and be coming on-line by the end of the second quarter of fiscal year 2014. Over the past 4 years the Puyallup Tribe has been working closely with national and regional staff of the BIA-Office of Justice Services on identifying the future operating and staffing costs associated with the Puyallup Tribe's new adult corrections facility. We have submitted a Public Law 93-638 contract request to the BIA for Operations and Maintenance funding for the new facility, including Pre-Award, Start-up, Transitional funding, Staffing and O&M funding. We are requesting support from the subcommittee on our contract request to the BIA for O&M funding for the Tribe's Adult Corrections facility, estimated at \$3.2 million annually. Further, the Puyallup Tribe requests the subcommittee's support for increasing funding for BIA Detention/Corrections by \$32.2 million to reflect actual funding needs. In addition, we have submitted a Public Law 93-638 contract request to the BIA for Tribal Court funding, including pre-award and start-up funding. In fiscal year 2012, the BIA was able to fund only one-third of actual need of pre-award and start-up funding requests. We continue to request support from the subcommittee to increase Tribal Court funding at \$73.2 million, an increase of approximately three times the fiscal year 2012 base funding. Increased funding would be used for judges, prosecutors, public defenders, probation officers, court staff and development of diversion programs designed to reduce recidivism within the tribal judicial system.

*Natural Resources Management.*—The Puyallup Tribe as stewards for land and marine waters in the Usual and Accustomed fish, shellfish and wildlife areas has treaty and governmental obligations and responsibilities to manage natural resources for uses beneficial to the Tribal membership and the regional communities. Despite our diligent program efforts, the fisheries resource is degrading and economic losses are incurred by Native and non-Native fishermen and surrounding communities. Our resource management responsibilities cover thousands of square miles in the Puget Sound region of the State of Washington with an obligation to manage production of anadromous, non-anadromous fish, shellfish and wildlife resources. Existing levels of support are inadequate to reverse the trend of resource/habitat degradation. For fiscal year 2014, \$9.613 million is provided for BIA Western Washington Fisheries Management, a small increase over the fiscal year 2012 enacted level of \$8.256 million. As the aboriginal owners and guardians of our lands and waters it is essential that adequate funding is provided to allow tribes to carry out our inherent stewardship of these resources. The Puyallup Tribe will continue to secure increased funding for Hatchery Operations and Maintenance. The President's fiscal year 2014 budget contains \$6.842 million for Tribal Hatchery Maintenance, compared to the fiscal year 2012 enacted budget of \$4.83 million and \$1.85 million for Tribal Hatchery Operations, compared to the fiscal year 2012 enacted budget of \$1.6 million. The Puyallup Tribe supports the President's fiscal year 2014 funding requests for Tribal Hatchery Operations and Maintenance. The Timber, Fish and Wildlife (TFW) Supplemental and United States/Canada Pacific Salmon Treaty programs have allowed for the expansion of tribal participation in the State forest practice rules and regulations and participation in inter-tribal organizations to address specific treaties and legal cases, which relate to multi-national fishing rights, harvest allocations and resource management practices. We request the subcommittee to support providing funding for the TFW at the President's fiscal year 2014 request of \$3.082 million and United States/Canada Pacific Salmon Treaty program funding at \$4.844 million, an increase of \$640,000 over the fiscal year 2012 enacted level. The Puyallup Wildlife Management program has been the lead agency in management activities to benefit the South Rainier elk herd since 2004. The South Rainier elk herd is the primary stock of elk harvested by the Puyallup Tribe. The Tribe has not only established more reliable methods for population monitoring, but has also been proactive in initiating habitat enhancement projects, research and land acquisition to ensure sustainable populations of elk for future generations. Funds that are available to the Tribe have been on a very competitive basis with a limited amount per program via USFWS Tribal Wildlife grants and the BIA Unresolved Hunting and Fishing Rights grant program. We request the subcommittee to support providing base funding to the Tribes Wildlife Management Program in the amount of \$100,000 through the BIA Unresolved Hunting and Fishing Rights program in fiscal year 2014 appropriations.



*Education.*—The fiscal year 2014 budget requests funding of \$802.7 million for the Education program, an increase of \$7.2 million, less than a 1 percent increase above the fiscal year 2012 enacted level. We operate the pre-K to 12 Chief Leschi Schools which include a verified 2011–2012 School student enrollment of 910+ students, including ECEAP and FACE programs. With an increasing number of pre-kindergarten enrollment, Chief Leschi Schools will exceed design capacity in the near future. Additional education facility space will be required. The Puyallup Tribe is concerned and strongly disagrees with the proposed elimination of funding for the Replacement School Construction line item. We do not believe that the underfunded Facilities Improvement and Repair program will be able to address the growing need for new education facilities. Additionally, the cost of operation and maintenance of the Chief Leschi School facilities continues to increase in the areas of supplies, energy and student transportation costs. The Tribe will work with Congress and the BIE to increase funding in fiscal year 2014, including: Tribal Grant Support Cost for Tribally Operated Schools—\$23 million more than the fiscal year 2012 enacted level; Replacement School Construction—\$17.8 million; Student Transportation—\$52.796 million; and Elementary and Secondary Programs—\$526.4 million.

*Operations of Indian Programs and Tribal Priority Allocations.*—The President's fiscal year 2014 budget is in drastic need for increased funding for the BIA Operations of Indian Programs. Within the Operations of Indian Programs is the Tribal Priority Allocations (TPA). The TPA budget functions include the majority of funding used to support ongoing services at the “local tribal” level, including natural resources management, child welfare, other education, housing and other tribal government services. These functions have not received adequate and consistent funding to allow tribes the resources to fully exercise self-determination and self-governance. Further, the small increases “TPA” has received over the past few years has not been adequate to keep pace with inflation. The Puyallup Tribe is requesting support from the subcommittee to fund the Operation of Indian Programs at the fiscal year 2014 request of \$2.183 billion and Tribal Priority Allocations at a minimum of \$894 million, an increase of \$15.5 million above the fiscal year 2012 enacted level. We further request support from the subcommittee to increase funding for Indian Child Welfare (TPA) by \$45 million; Increase Urban Indian Child Welfare programs by \$15 million; and increase BIA Child Welfare Assistance by \$55 million.

#### DEPARTMENT OF HEALTH AND HUMAN SERVICES—INDIAN HEALTH SERVICE

The inadequate funding of the Indian Health Service is the most substantial impediment to the current Indian Health system. The Puyallup Tribe has been operating healthcare programs since 1976 through the Indian Self-determination Act, Public Law 93–638. The Puyallup Tribal Health Authority (PTHA) operates a comprehensive ambulatory care program to the Native American population in Pierce County, Washington. The current patient load exceeds 9,000, of which approximately 1,700 are Puyallup Tribal members. There are no Indian Health Service hospitals in the Portland Area so all specialties and hospital care have to be paid for out of our contract care allocation. The contract care allocation to PTHA has been significantly inadequate to meet actual need since fiscal year 2004 when the Puyallup Tribe subsidized Contract Health with a \$2.8 million contribution. For fiscal year 2013 the tribal subsidy had reached a staggering \$6 million. Given that the PTHA service population is only comprised of 17 percent Puyallup Tribal members, Tribal budget priorities in fiscal years 2012 and 2013 have made continued subsidies to the PTHA financially difficult for the Puyallup Tribe. The fiscal year 2014 budget requests \$5.5 billion in discretionary budget authority for the Indian Health Service. This represents a \$116 million increase over the fiscal year 2012 enacted level. For Health Services programs the fiscal year 2014 budget request is \$4.43 billion, an increase of \$112 million over the fiscal year 2012 enacted level. Included within the increases are funding for Contract Support Costs (\$477.2 million—\$100 million short of actual need), Purchase/Referred Care (\$878.5 million), IHS Facilities (\$448.1 million) and Alcohol and Substance Abuse funding (\$196.4 million). The Puyallup Tribe fully supports funding increases for existing IHS programs and will work with Congress to increase funding for IHS and the critical programs administered by this Agency. However, if Congress and the President do not agree to an alternative to the existing sequestration, any increases to IHS funding in the fiscal year 2014 budget will be eliminated.

#### SEQUESTRATION

Finally, it is the Tribe's sincere hope that the fiscal year 2014 bill language remedy the drastic cuts to fiscal year 2013 appropriations implemented under the sequester. As we have already stated, tribal programs have been historically under-

funded—and this is in spite of the fact that the Federal Government maintains a sacred trust responsibility over Indian affairs. Should sequestration go into effect October 1, 2013, the proposed fiscal year 2014 Interior Department could be reduced to \$10.966 billion, a \$467.6 million decrease below the fiscal year 2012 enacted level for the Interior Department, taking Indian Country and the Nation in the wrong direction. The across the board 5 percent cuts to already underfunded tribal programs will have devastating impacts on Indian Country and reverse or delay tribal efforts, such as my tribe's, to improve our economies and the health and well-being of our tribal members.

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PREPARED STATEMENT OF THE QUINULT INDIAN NATION

Thank you for accepting the Quinault Indian Nation testimony on fiscal year 2014 budget priorities for the Bureau of Indian Affairs (BIA) and the Indian Health Service (IHS). We ask that this committee not subject tribal programs to sequestration reductions or assess unfair and disproportionate rescissions on American Indian and Alaska Native (AI/AN) peoples, not now, not ever. Ours is a unique relationship that you must honor and respect just as we were expected to trust you to honor the obligations documented in the agreements between our Nations. We ask this in the name of our ancestors and for the future generations of our indigenous people.

*Tribal Specific Priority Request*

\$5.79 million over a period of 5 years for upper Quinault River Restoration—BIA (2013–2017)

*Local/Regional Requests and Recommendations*

Affiliated Tribes of Northwest Indians  
Northwest Portland Area Indian Health Board  
Northwest Indian Fisheries Commission

*National and Self-Governance Requests and Recommendations—BIA Requests*

+ \$9.8 million—Contract Support Costs over fiscal year 2012 enacted level and maintain the status quo statutory language enacted in fiscal year 2013  
+ \$19 million—BIA Public Safety and Justice  
+ \$8 million—Tribal Pay Cost to achieve parity with the U.S. cost predictions  
+ \$89 million—General Increase to BIA Tribal Priority Allocation for inflationary and fixed costs and will allow Tribes to fully exercise the right to self-govern  
Fully fund provisions of Tribal Law & Order Act of 2010  
Funding to fully staff the Office of Self-Governance

*National and Self-Governance Requests and Recommendations—IHS Requests*

+ \$5.8 million over fiscal year 2012 enacted level  
+ \$403 million for mandatory costs, inflation and population growth and to maintain existing healthcare services  
+ \$171.6 million for Purchased/Referred Care Program  
+ \$5 million to the Indian Health Service (IHS) Office of Tribal Self-Governance to keep pace with the increased needs of Tribes entering Self-Governance

TRIBAL SPECIFIC REQUEST JUSTIFICATION

*\$5.79 Million Upper Quinault River Restoration (5-year period from 2013–2017)*

The Quinault Indian Nation (QIN) respectfully submits this proposal to complete river, floodplain, and salmon habitat restoration activities in four priority areas in the upper Quinault River (UQR) over a period of 5 years beginning in 2013. The QIN requests \$5.79 million in funding to (1) build up to 140 engineered logjams, (2) purchase logs and pilings for use in the logjams, and (3) complete approximately 537 acres of forest restoration planting. The funding will also be used to complete permitting, consultation and other construction related activities.

The UQR is located on the west coast of the Olympic Peninsula in Washington State. The river provides the QIN culturally and economically important salmon resources. The most important salmon resource to the QIN is the Quinault Blueback (sockeye) salmon. The Blueback and other salmon stocks native to the UQR have declined significantly over the past 50 years. Current trends in Blueback run sizes indicate that the decline will continue and that the Blueback salmon is at risk of "virtual extinction."

The QIN hired the U.S. Bureau of Reclamation (USBOR) in 2002 to conduct a study to evaluate changes that occurred to the UQR and potential causes for the observed declines in Blueback salmon production. The USBOR identified many con-

tributors to salmon habitat loss and the Blueback salmon decline. However, the most important conclusion made by the USBOR was that:

“[T]he upper Quinault River and its salmon habitats will not heal on their own. Restorative intervention is required.”—U.S. Bureau of Reclamation 2005

In response to the USBOR’s conclusion and inherent risks to continued viability of the Blueback salmon as a fisheries resource, QIN made restoration of the UQR and Blueback salmon one of its primary initiatives. QIN staff immediately began developing a plan to restore the river. The Quinault Department of Fisheries completed the Salmon Habitat Restoration Plan—Upper Quinault River (Plan) in 2008. The Plan is a comprehensive, science based approach to restore the UQR including its floodplains, floodplain forests, and salmon habitat.

The Plan applies engineered logjams (ELJs) and floodplain forest restoration methods modeled after natural floodplain forest developmental patterns and river channel habitat forming processes found in river valleys of the west side of the Olympic Mountains. The overall goal of the Plan is to restore for the long-term through cumulative benefits of individually completed projects, natural riverine and forested floodplain processes that will result in restoration of ecosystem services for salmon, wildlife and human users of the resources. Restoration of the Blueback and other fisheries resources in the UQR will provide cultural and economic benefits to local stakeholders, private landowners, and the QIN.

The Plan and restoration approach is endorsed by Federal regulatory agencies including the U.S. Fish and Wildlife Service, the National Marine Fisheries Service, and the Army Corp of Engineers. The Plan is also endorsed by agencies of the State of Washington including the Governor’s Salmon Recovery Office, Department of Natural Resources, Department of Fish and Wildlife, Department of Ecology, Washington Coast Sustainable Salmon Partnership, and the Pacific Coast Salmon Coalition. Federal land managers include the Olympic National Park and the U.S. Forest Service.

The QIN has received support in principle from more than 27 private landowners in the UQR for the proposed projects. The QIN, with help from its restoration and funding partners, has raised and spent approximately \$3.3 million in grant and “in-kind” staff funding since the USBOR study was conducted a decade ago. In that period, QIN has completed planning, engineering design, an environmental assessment, streamlined permitting and Endangered Species Act (ESA) consultation processes, and constructed three habitat restoration projects. These accomplishments demonstrate the ability and commitment of QIN to restore the UQR and the Blueback salmon. The QIN requests that this proposal for funding be approved so it can continue the work it has begun and maintain the momentum it has established to restore the UQR and Blueback salmon.

#### PROJECT DESCRIPTION

The QIN proposes to (1) build up to 140 engineered logjams, (2) purchase logs and pilings for use in the logjams, and (3) complete approximately 537 acres of forest restoration planting. The QIN will also complete permitting, consultation, and other construction related activities. The QIN has shovel ready designs completed for 4.8 river miles of the 12.6 mile (approximately 6,900 acres) UQR restoration reach with the remaining 7.2 river miles scheduled for completion in late summer 2013. Restoration activities in this proposal include ELJ construction, materials procurement, and forest restoration planting in four prioritized project areas in the restoration reach.

#### PROJECT OBJECTIVES

The project areas proposed for use of the funding include approximately 3.6 miles of main stem river channel and 520 acres of existing floodplain. The project, if funded and constructed in its entirety, will yield approximately 7.7 miles of protected and/or restored main stem river and side channel salmon habitat, approximately 860 acres of new floodplain, and reestablish approximately 537 acres of mixed conifer-deciduous floodplain forest.

#### PROJECT TASKS, TIME SCHEDULE, AND BUDGET

The proposed project will complete tasks and related activities according to the time schedule and estimated costs identified in Table 1. The QIN will manage the project and provide “in-kind” services necessary to complete Tasks 1 and 5. Local logging contractors and timber suppliers will provide materials and services necessary to complete the project. The QIN has a contract with Quinault Valley Forestry, LLC to provide services necessary to complete materials procurement and

construction services (Tasks 2 and 6). GeoEngineers, Inc. and Natural Systems Design are under contract with the QIN to provide permitting, river restoration, engineering design and construction oversight services (Tasks 3 and 4). R2 Resource Consultants is an environmental consulting firm under contract with QIN to provide forest and wetlands restoration services (Task 7).

TABLE 1.—PROJECT TASKS, TIMELINES, AND ESTIMATED BUDGET DURING THE PERIOD 2013 TO 2017

Task/Description	Time Schedule	Amount
Task 1—Project Management & Coordination .....	2013–2017 .....	\$18,200
Task 2—Materials Procurement Services .....	2013–2017 .....	1,450,161
Task 3—Permitting, NEPA and Consultations .....	2013–2015 .....	12,000
Task 4—Professional Engineer Services .....	2014–2017 .....	140,000
Task 5—Fish Management/Conservation .....	2014–2017 .....	42,848
Task 6—EIJ Construction Services & Related Activities .....	2014–2017 .....	3,589,580
Task 7—Forest Restoration Services .....	2014–2017 .....	537,000
Grand Total .....	.....	5,789,789

NUMBER OF JOBS CREATED OR RETAINED

Jobs created or retained by this project include professional, labor, and services wage jobs. This project as proposed will directly create or help to retain an estimated 109 part-time seasonal or full-time jobs during the 5-year period. 61 part-time seasonal or full-time professional and labor wage jobs will be created or retained during the 5-year period. An additional 35 jobs (which represent indirect and induced employment) are created or sustained as the income earned by the project workers is spent in other sectors of the economy. The proposed project will likely create or retain 41 jobs in the local Grays Harbor County and Jefferson County sectors whereas the remaining 20 jobs created or retained will be filled by professionals employed by companies located in the Puget Sound Region. In addition to the professional and labor jobs an estimated 48 services related jobs in the local Quinault, Washington area alone will be created or retained. These jobs include wage level positions in the food services, restaurant, tourism, retail, and lodging sectors. Additional jobs will also be created or retained as the income from the services workers is spent in other sectors of local and regional economies.

CONCLUSION

“The Great Spirit bestowed life to all of us . . . including the animals, birds, fish, insects and plants. Our collective Native warnings and predictions were ignored in the rush to capitalize and exploit the bountiful resources of the land. Countless irreplaceable species are preserved now in museums or documented in textbooks. As the consequences of unmanaged exploitation and pollution reach irreversible proportions, the United States heeded our centuries old appeals for environmental protection. We only hope it’s not too late and that Mother Nature’s wounds can still be healed. We will continue to serve as the environmental conscience to the Nation and the world.”—Joseph B. DeLaCruz, President, Quinault Indian Nation, 1972–1993

PREPARED STATEMENT OF QUANTUM TIDES, INC.

As a researcher, educator, industrial aquaculture professional, and staunch supporter of advancing domestic aquaculture as an agricultural sector, I am writing to express my concern regarding the proposed \$400,000/3 FTE reduction in support for the U.S. Fish and Wildlife Service (USFWS) Aquatic Animal Drug Approval Partnership (AADAP) program as described in the fiscal year 2014 President’s budget. Given the importance of this program and its deliverables to the fisheries and aquaculture disciplines—particularly to the mission of the USFWS itself—I strongly encourage you to reconsider the ramifications of this reduction, and fully support the AADAP program with \$1,790,000 in base funding and current FTEs. This figure represents the amount previously dedicated to the drug approval process in the Department of the Interior budget (2010 funding levels for AADAP and the U.S. Geological Survey [USGS budget since eliminated entirely]), adjusted to fiscal year 2014 dollars. Without this level of support, these unduplicated and essential activities cannot be completed in a reasonable timeframe, and fisheries professionals, espe-

cially the USFWS, will be unable to effectively deliver on their responsibilities to the American public.

Most fisheries and aquaculture activities require the use of drugs: whether to maintain health and fitness of hatchery fish, or facilitate field-based research and management activities, as described in a recent AFS Policy Statement<sup>1</sup>, the absence of suitable drugs, “jeopardizes fishes, fisheries, fish culture, research, and poses considerable risk to those involved in these activities.” Fish drugs include commonplace chemicals such as hydrogen peroxide, but it is illegal to use such products unless they have passed the rigorous Food and Drug Administration (FDA) animal drug approval process. USFWS leadership is critical because the Service itself is a major end-user of aquatic animal drugs, the need for safe and effective drugs is nationwide, and without public-sector assistance economic incentives are insufficient to encourage drug sponsors to pursue aquatic animal drug approvals in the United States.

Recognizing difficult budgetary decisions must be made, I contend that the proposed cuts to the AADAP program offer only modest savings and would eliminate vital elements of a program that serves the USFWS, its partners, and the growing aquaculture production sector in the United States. Without access to safe and effective drugs, it is unclear to me how aquaculture, the fastest growing sector of agriculture in the United States will be able to maintain this growth; and fisheries professionals, especially USFWS staff, be able to fulfill their mandates (e.g., rearing and stocking fish, collecting field data) without misusing the few approved drugs currently available (e.g., overusing an existing antibiotic because no other alternatives exist, risking the development of antibiotic-resistant bacteria) or resorting to the use of unapproved products (e.g., using innocuous but currently unapproved products, risking significant legal liability and FDA action). The proposed cuts would effectively terminate the AADAP research program, and with it, the drug approval process in the United States. This is not grand-standing or arm-waving, it is reality: without AADAP, the drug approval process stops, and without approved drugs, aquaculture, fisheries professionals and fisheries themselves are put in jeopardy.

I encourage you to fully support the AADAP program at a funding level of \$1,790,000 and ensure the current and future needs of fisheries and fisheries professionals continue to be met. Thank you for your consideration of my position on this issue.

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PREPARED STATEMENT OF ROZ SCHNICK CONSULTING, LLC

As the former National Coordinator for Aquaculture New Animal Drug Evaluations, I am writing to request that you eliminate the proposed \$400,000/3 FTE reduction that funds the U.S. Fish and Wildlife Service, Aquatic Animal Drug Approval Partnership (AADAP) program as described in the fiscal year 2014 President’s budget. This program is extremely important in maintaining our Nation’s fishery resources and in supporting our aquaculture industries. The drug approval program in the U.S. Geological Survey dedicated to the drug approval process has already been eliminated and we cannot afford to have both these teams dismantled after working for almost 50 years to develop the expertise, facilities, and teams to perform this unique and unduplicated research.

All aquatic species that are cultured in the United States need safe and effective drugs to maintain their health and provide for their efficient and effective production. We are on the cusp of getting a basic medicine chest but without the efforts of AADAP, this will be impossible. To use these drugs, they must be proven to be safe and effective to the U.S. Food and Drug Administration, and if they are not approved, it is illegal to use them. The pharmaceutical companies depend upon AADAP to aid them in gaining approvals of their drugs because the economic return on their investment is too low to recoup the approval expenses—our public and private aquaculture industries are too small. We already import at least 84 percent of the seafood we eat and this loss would exacerbate that problem.

I encourage you to support the AADAP program at its full funding level. Thank you for your consideration in this matter.

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<sup>1</sup>AFS Policy Statement on the Need for Immediate-release Sedatives in the Fisheries Disciplines. Available at: [http://fisheries.org/docs/policy\\_statements/policy\\_34f.pdf](http://fisheries.org/docs/policy_statements/policy_34f.pdf).

## PREPARED STATEMENT OF THE SAC AND FOX NATION

Mr. Chairman and distinguished members of the subcommittee, thank you for the opportunity to provide written testimony on the fiscal year 2014 Bureau of Indian Affairs and Indian Health Services budgets. We appreciate your dedication to righting the wrongs our people suffered in the past and suffer in the present. We understand the fiscal constraints of the Country and together we can provide a future that has many opportunities for self-sufficiency through Self-Governance.

First and foremost we ask that all Bureau of Indian Affairs (BIA) and Indian Health Services (IHS) line items should be exempt from any budget recessions and discretionary funding budget reductions. Further, Tribes are extremely concerned about the consequences of sequestration. The sequester reductions to Tribal programs undermine Indian treaty rights and obligations—treaties which were ratified under the Constitution and considered the “supreme law of the land.” We strongly urge for the sequester to be replaced since it threatens the trust responsibility and reduces portions of the budget that are not major contributors to the deficit.

## SAC AND FOX NATION TRIBAL SPECIFIC BUDGET REQUEST

Add \$4.8 million to the Bureau of Indian Affairs, Public Safety and Justice, Detentions and Corrections to Fully Fund the Sac & Fox Nation Juvenile Detention Center.

## NATIONAL TRIBAL PROGRAM BUDGET REQUESTS: BUREAU OF INDIAN AFFAIRS

Fully fund contract support costs (CSC) consistent with the 2012 U.S. Supreme Court decision in the *Salazar v. Ramah Navajo Chapter* Case—\$9.8 million increase over fiscal year 2012 enacted.

Fully fund fixed costs/pay costs—Provide \$8 million increase. In fiscal year 2014, the Tribal Pay Cost need is estimated at approximately \$8 million to achieve parity with the general U.S. cost predictions.

Tribal priority allocations—Provide \$89 million increase (10 percent over fiscal year 2012 enacted).

## Law enforcement:

Fully fund all of the provisions of the Tribal Law & Order Act of 2010 that authorize additional funding for law and order programs that affect Indian Tribes, for fiscal year 2014 and beyond; and

Support the \$19 million increase in funding in the fiscal year 2014 President’s budget for BIA Public Safety and Justice, including an increase in funds for officer recruitment and training, and for Tribal detention facilities operations and maintenance.

Office of Self-Governance (OSG)—Provide increase funding to the OSG to fully staff the office for the increase in the number of Tribes entering Self-Governance.

## SAC AND FOX NATION TRIBAL SPECIFIC BUDGET REQUESTS—\$4.8 MILLION FOR JUVENILE DETENTION CENTER

The passage of the Tribal Law and Order Act was applauded by the Sac & Fox Nation because we saw this as the opportunity for the Federal Government to finally fulfill the commitment to the Nation and fully fund our Juvenile Detention Center (JOG). In 1994, the Sac and Fox Nation Juvenile Detention Center (JDC) opened its doors after years of planning and construction made possible by funding from the Department of the Interior, Bureau of Indian Affairs. The JDC is the first juvenile facility designed for American Indians/Alaska Natives as well as the first juvenile facility developed under Public Law 100–472, the Self-Governance Demonstration Project. The JOG is a full service, 24-hour juvenile detention facility that provides basic detention services to all residents to ensure their health, safety and welfare and provides programs tailored to meet the specific needs of our clients. These programs include behavioral management, substance abuse, spiritual, cultural, self-esteem, arts and crafts, health and fitness, horticulture, nutrition, life skills, counseling and educational programs. The 39 Tribes included in the Southern Plains Region will support the JDC but due to underfunding and staffing shortages, the JDC cannot accommodate the detention needs of the regional Tribes.

In fiscal year 2013 appropriations testimony provided by Assistant Secretary Larry Echo Hawk, he requested \$6.5 million for Detention/Correction and an additional 18 FTEs. Assistant Secretary Kevin Washburn recently announced in an April 10 conference call that seven facilities were near completion and expected to be operational in late 2013 or early 2014. We take great exception to this request inasmuch as the Department of the Interior/Bureau of Indian Affairs has never pro-

vided the full funding that was committed for the appropriation, planning and construction process of the JOG.

The Sac and Fox Nation has had to utilize funds to operate the JDC that should have been used for other social service needs. Full funding for the JDC was authorized but instead Federal officials used these resources for other purposes. The Sac and Fox Nation is committed to working with the BIA to ensure that the financial commitment is fulfilled. With the promise of full funding realized, Tribes utilizing the JDC will be able to provide the cultural and traditional healing our children need to live healthy and productive lives. The Sac and Fox Nation is requesting that this subcommittee provide the funding for the JDC and include language that will mandate the BIA to utilize these funds as intended by Congress in the appropriations and for no other purpose.

#### THE SAC AND FOX NATION

The Sac and Fox Nation is headquartered in Stroud, Oklahoma, and our Tribal jurisdictional area covers Lincoln, Payne, and Pottawatomie Counties. Of the 4,000 enrolled Tribal members, 2,600 live in Oklahoma. We are proud to pay tribute to a Sac and Fox descendent and Great Native American, Jim Thorpe. One of the most revered Olympic athletes who has ever represented the United States, Mr. Thorpe won the pentathlon and decathlon in the 1912 Olympics.

The Sac & Fox Nation of Oklahoma's jurisdiction covers 487,040 acres across three counties in Oklahoma: Payne, Lincoln and Pottawatomie Counties. The U.S. Census Bureau's Statistics indicate that 17.6 percent of Pottawatomie County residents live below the Poverty Level, 14.8 percent in Lincoln County and 23.2 percent in Payne County.

As reported by the U.S. Bureau of Labor Statistics the National Unemployment Rate for February 2013 is 7.6 percent and the Oklahoma unemployment rate is 5.0 percent. In Pottawatomie County the unemployment rate is 4.9 percent, Lincoln County 5.3 percent and Payne County 4.5 percent.

Taking all the statistics into account, one derives the conclusion that what we have is a population of working poor. The insufficient wages for the working poor make it impossible for them to provide basic necessities and result in people having to make choices between food on the table or having a place to live. Largely because they are earning such low wages, the working poor face numerous obstacles that make it difficult for many of them to find and keep a job, save up money, and maintain a sense of self-worth.

In 2012 the Sac and Fox Nation experienced a 74 percent increase in the request for hardship assistance from the previous year. For 2013 we are at 97 percent of hardship requests from our 2012 numbers, and there are 5 months remaining in the program year.

Funding cuts to the Human Services which encompass Social Services, Welfare Assistance, and Child Welfare Services would have dire effects on the Sac & Fox Nation tribal members and those American Indian/Alaska Native families that reside within our service area who come from our neediest families. The Sac & Fox Nation can't absorb any more cuts for the sake of reducing the Federal deficit. Funding reduction in these programs would increase critically high rates of poverty and hardship. It is our duty to protect our children and the most vulnerable from bearing a disproportionate burden for deficit reduction.

#### SEQUESTRATION

Although we are submitting testimony on fiscal year 2014, we must comment on the fiscal year 2013 sequestration of discretionary programs. The Tribal leaders of the Tribal Interior Budget Council (TIBC) and the National Congress of American Indians (NCAI) passed unanimous resolutions that trust and treaty obligations to tribes should not be subject to sequestration. The sequester reductions to Tribal programs undermine Indian treaty rights and obligations—treaties which were ratified under the Constitution and considered the “supreme law of the land.” The ongoing contribution of Tribal nations to the U.S. economy is the land on which this Nation is built. In exchange for land, the United States agreed to protect Tribal treaty rights, lands, and resources, including provision of certain services for American Indian and Alaska Native tribes and villages, which is known as the Federal Indian trust responsibility. Indiscriminate cuts sacrifice not only the trust obligations, but they thwart tribes' ability to promote economic growth or plan for the future of Native children and coming generations.

The fiscal year 2013 sequester and expected reductions due to the Budget Control Act caps will hurt law enforcement, education, health care and other Tribal services, which have been historically underfunded and have failed to meet the needs of Trib-

al citizens. We strongly urge for the sequester to be replaced since it threatens the trust responsibility and reduces portions of the budget that are not major contributors to the deficit.

Thank you for including this testimony into the fiscal year 2014 budget hearings record.

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PREPARED STATEMENT OF THE SOCIETY OF AMERICAN FORESTERS

The Society of American Foresters (SAF), with more than 12,000 forestry professionals across the country, believes in sound management and stewardship of the Nation's public and private forests. Funding for the Department of the Interior (DOI) and the USDA Forest Service (USFS), both contained in the Interior, Environment, and Related Agencies Appropriations bill, are particularly important to maintaining and improving the Nation's forests.

SAF FISCAL YEAR 2014 BUDGET PRIORITIES

We recognize that the subcommittee must make difficult decisions when making fund allocation decisions, and given the budget constraints and pressures that face Congress and the Federal Government, we commend the members of the subcommittee for continued efforts to encourage sustainable forest management. SAF's budget recommendations do not encompass all the programs SAF supports. The listed items are the priorities identified by SAF leadership to highlight in the fiscal year 2014 budget process.

- SAF supports an increase in the National Forest System timber harvest from the 2.38 BBF projected by the Agency to 2.65 BBF to help achieve management objectives and stem threats faced in our Federal forests.
- SAF supports funding the Forest Health Management (FHM) as a consolidated budget line item under the USFS State and Private Forestry at no less than the fiscal year 2012 enacted funding level.
- SAF recommends funding the USFS and DOI Hazardous Fuels Programs at no less than the fiscal year 2012 enacted levels.
- SAF also supports continuation of the Integrated Resource Restoration (IRR) pilot program in the three USFS Regions. We encourage the subcommittee to provide the necessary funds to continue these pilots in fiscal year 2014.
- SAF, a CFLR Coalition Steering Committee member, joins the 150 other member organizations requesting a \$40 million funding level for the program.
- SAF requests that Congress support a \$72 million funding level for Forest Inventory and Analysis in fiscal year 2014.
- SAF supports the fiscal year 2014 \$9.8 million funding request for BLM Public Domain Forestry in the fiscal year 2014 BLM budget request.

The 751 million acres of forests in the United States are subject to threats from wildfires, insects, disease, invasive species, and changing climates. The public relies on forests for clean air and water, forest products and natural resources, recreational opportunities, hunting, fishing, and scenic values. Federal employees managing these forests must guard against these potential threats while still providing the multiple uses that the public demands. With a difficult economic outlook, land management agencies must look for innovative ways to maintain and improve the health of America's forests.

As the largest professional society for foresters in the world, SAF represents the forest managers and scientists working on public and private forests across the country. The task of managing the Nation's valuable, renewable resource is as challenging now as at any time in the 113-year history of the Society. The continued loss of forest industry infrastructure, job losses and hardship in rural communities, pressure of invasive species, expanded areas of insects and disease, overstocked stands, and increased risk of wildfire necessitate the acceleration in the pace of management activities in federally owned forests.

Since 1910, the U.S.'s forest area has been stable, with a slight increase in the last two decades.<sup>1</sup> The current volume of annual timber growth is 32 percent higher than the volume of annual removals, and the Forest Service estimates that 65 million to 82 million acres of the National Forest System (NFS) require restoration. SAF is concerned that the USFS set the restoration work goal for the NFS at 3.5 million acres and the timber harvest volume target at 2.38 BBF for fiscal year 2014

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<sup>1</sup>U.S. Forest Service (USFS). 2010. U.S. Forest Resource Facts and Historical Trends. Available online: <http://www.fia.fs.fed.us/library/brochures/docs/2010/Forest%20Facts%201952-2007%20English%20rev072411.pdf>; last accessed April 2013.



due to budget constraints and sequestration.<sup>2</sup> The 2.38 BBF timber harvest target is a 15 percent decrease from the timber harvest target set in fiscal year 2013 and well below the 3 BBF set as a USFS goal in the “Increasing the Pace of Restoration of the Nation’s Forests” report released in 2012.<sup>3</sup> We worry that the management objectives outlined in the USFS fiscal year 2014 budget justification are not sufficient to keep pace with ongoing management projects on Federal lands and to combat the declining health of our Nation’s forests.

Economic conditions that led to a downturn in demand for construction and wood products resulted in fewer resources available for forest management activities. The depressed markets led to a steady decline in the forestry-related job sector and loss of infrastructure. From 2005 to 2010 primary (forestry and logging, paper, wood manufacturing, etc.) and secondary (residential construction, furniture, etc.) employment have seen a combined reduction of 920,507 total jobs. These factors also resulted in low timber prices, and the total U.S. annual timber harvests are at their lowest levels since the 1960s. This lack of production led to the closure of more than 1,000 mills from 2005 to 2009, which decreased overall sawmilling capacity by 15 percent, and lowered production levels below 50 percent of capacity at the remaining mills.<sup>4</sup>

As the economy recovers, with new March 2013 building permit applications for new housing 17 percent higher than March 2012, timber prices should rebound and increased wood production from Federal lands will be necessary as the industry struggles to recover the operational capacity lost during the downturn.<sup>5</sup>

#### SAF BUDGET RECOMMENDATIONS EXPLAINED

SAF supports an increase in the National Forest System (NFS) timber harvest from the 2.38 BBF projected by the Agency budget justification to 2.65 BBF representing the average targeted harvest volume for fiscal years 2010–2013 as an avenue to improve the health and productivity of our Federal forests. An increase in the timber harvest will reduce the number of overstocked stands and result in stand improvement, lessen the threat of catastrophic wildfire, combat challenges presented by pests, and support Agency efforts to restore priority watersheds in fiscal year 2014. Increased output from Federal lands could also reduce pressure on private forestlands, which supply 90 percent of wood production, to meet demand for wood products here and abroad.<sup>6</sup> We believe that the USFS can achieve the 2.65 BBF mark without significantly altering the plan outlined by the administration and agency in the fiscal year 2014 budget justification.

SAF also supports the USFS State and Private Forestry programs that offer vital assistance to private landowners and State forestry agencies. These programs allow owners of property adjacent to Federal land to participate in management initiatives and promote cooperation between Federal land managers and non-Federal partners. The structure allows State and Private Forestry programs to provide a significant return on the Federal investment by leveraging the resources of partners to accomplish shared objectives. The USFS Forest Health Management (FHM) Program pays dividends on Federal and non-Federal lands by offering the critical resource support necessary to protect forest health. The FHM Program delivers assistance necessary to prevent and mitigate insect and disease outbreaks as well as the spread of invasive species. SAF supports funding the FHM Program as a consolidated budget line item under the USFS State and Private Forestry at no less than fiscal year 2012 enacted funding levels.

We appreciate the subcommittee’s consistent support for wildfire management, providing funds to encourage a balanced approach to averting threats posed by fire. The Hazardous Fuels Line Items in the USFS and DOI budgets are essential to restoring forest health and resilience and reducing the cost of suppressing wildfires. In fiscal year 2012, the USFS and DOI treated more than 3.2 million acres reducing

<sup>2</sup>U.S. Forest Service (USFS). 2014. Fiscal Year 2014 President’s Budget Justification. Available online: <http://www.fs.fed.us/aboutus/budget/2014/fy2014-justification.pdf>; last accessed April 2013.

<sup>3</sup>U.S. Forest Service (USFS). 2012. Increasing the Pace of Restoration and Job Creation on Our National Forests. Available online: <http://www.fs.fed.us/publications/restoration/restoration.pdf>; last accessed April 2013.

<sup>4</sup>Smith, B.W., and Guldin, R.W. 2012. Forest Sector Reeling during Economic Downturn. *The Forestry Source* January 2012. Available online: [http://www.nxtbook.com/nxtbooks/saf/forestrysource\\_201201/index.php](http://www.nxtbook.com/nxtbooks/saf/forestrysource_201201/index.php); last accessed April 2013.

<sup>5</sup>U.S. Census Bureau. 2013 U.S. Census Bureau News. Available online: <http://www.census.gov/construction/nrc/pdf/newresconst.pdf>; last accessed April 2013.

<sup>6</sup>U.S. Forest Service (USFS). 2010. National Report on Sustainable Forests—2010. Available online: [http://www.fs.fed.us/research/sustain/2010SustainabilityReport/documents/2010\\_SustainabilityReport.pdf](http://www.fs.fed.us/research/sustain/2010SustainabilityReport/documents/2010_SustainabilityReport.pdf); last accessed April 2013.

wildfire risks on Federal lands. SAF recommends funding the USFS and DOI Hazardous Fuels Programs at no less than the fiscal year 2012 funding levels.

SAF also supports continuation of the Integrated Resource Restoration (IRR) pilot program in the three USFS Regions. We encourage the subcommittee to provide the necessary funds to continue these pilots in fiscal year 2014. SAF will continue to monitor the progress on these pilot projects and urges Congress to track these pilot projects and consider national implementation if the third-party audits of these pilots produce the improvement in forest health and resilience anticipated by the administration and USFS in the fiscal year 2014 budget justification.

SAF appreciates the subcommittee's support of the Collaborative Forest Landscape Restoration Program (CFLR) and is pleased that the administration recognizes its value by providing \$39.8 million in the 2014 Forest Service budget justification. As this subcommittee knows, CFLR encourages collaborative, science-based ecosystem restoration of priority forest landscapes.<sup>7</sup> Since 2009, the 23 projects have afforded fuels treatment on over 600,000 acres, generated and sustained 4,574 jobs, and supplied approximately 387 MMBF in timber sales.<sup>7</sup> SAF, a CFLR Coalition Steering Committee member, joins the 150 other member organizations requesting a \$40 million funding level for the program. We look forward to continuing to work with Congress and the administration to provide the support this program needs to achieve the stated 10-year goals.

USFS Research and Development (R&D) provides for essential research on priority areas such as disturbances (including wildfire), watershed restoration needs, local level emphasis, and strategic programs. USFS R&D's Forest Inventory and Analysis (FIA) program is an indispensable resource providing the only national census of forests across all ownerships. Through FIA, USFS (partnering with State forestry agencies and the private sector) collects and analyzes forest data to assess trends on issues such as forest health and management. FIA data is the backbone of the forest research and development for the Agency and private sector interests. FIA data are used by researchers across the country to evaluate forest disturbance risks, such as wildfire, insects and disease, the spread of invasive species, fragmentation and parcelization, and forest carbon sequestration. SAF requests that Congress support a \$72 million funding level for this program in fiscal year 2014. \$72 million would allow the program to continue to function as it does currently and sustain the services and information that Congress, Federal agencies, academia, and the private sector demand.

SAF closes our written testimony with two matters of concern with regard to funds available for management of BLM lands. The BLM's Public Domain Program currently operates at the \$6.3 million funding level included in the fiscal year 2013 continuing resolution which represents a 35 percent decrease in the funding level in fiscal year 2012. The BLM fiscal year 2014 budget justification specifies that the funding level be returned to \$9.8 million which corresponds with the fiscal year 2012 funding level, but without passage of a fiscal year 2014 budget, BLM Public Domain Forestry will be required to function at the level stipulated by the fiscal year 2013 continuing resolution and force the BLM to make significant reductions in the number of employees managing the 60 million acres in the Public Domain Forestry Program. This prospect is particularly worrisome considering that the authorization for receipts from the Forest Ecosystem Health and Recovery Fund, a permanent operating fund, expires at the end of 2015.

The expiration of this fund would negatively impact Public Domain Forestry and BLM O&C lands. The Forest Ecosystem Health and Recovery Fund can be used for various forestry purposes including planning, preparing, implementing, and monitoring salvage timber sales and forest ecosystem restoration activities. This fund currently allows Public Domain Forestry to implement necessary management activities with the significant budget reductions by using the portion of the receipts from sales of timber and wood products on BLM lands not returned to the neighboring counties, but if this permanent operating fund created in the appropriations act of 1993 is allowed to expire the receipts used to continue management on the ground will be required to return to the Federal treasury.

On behalf of the 12,000 members of the Society of American Foresters, we thank you for this opportunity to provide written testimony to the subcommittee.

<sup>7</sup>U.S. Forest Service (USFS). 2012. Collaborative Forest Landscape Restoration Program. Available online: <http://www.fs.fed.us/restoration/CFLR/index.shtml>; last accessed April 2013.

## PREPARED STATEMENT OF THE SOUTHEAST ALASKA REGIONAL HEALTH CONSORTIUM

My name is Charles Clement and I am the President and CEO of the SouthEast Alaska Regional Health Consortium (SEARHC). Chairman Reed, Ranking Member Murkowski, and members of the subcommittee, it is a pleasure to be here and I thank you for the opportunity to testify before this subcommittee.

I have been involved in the provision of Alaska Native healthcare for more than 15 years. Prior to my employment at SEARHC I worked for the Southcentral Foundation in Anchorage, Alaska, as the vice president/chief operating officer; vice president—operations; director of information technology/chief information officer; and special assistant to the president. I have been the President/CEO of SEARHC for over a year, and am continually amazed at the positive impact our tribal consortium has on the health of Alaska Natives.

SEARHC is an inter-tribal consortium of 18 federally recognized Tribes situated throughout the southeast panhandle of Alaska. Our service area encompasses more than 35,000 square miles, an area larger than the State of Maine. With no road system connecting our communities, the challenges to deliver robust health services are considerable.

SEARHC meets these challenges through a network of community clinics anchored in the Mt. Edgecumbe Hospital. Our services include medical, dental, mental health, physical therapy, radiology, pharmacy, laboratory, nutritional, audiology, optometry and respiratory therapy services. We also provide supplemental social services, substance abuse treatment, health promotion services, emergency medical services, environmental health services and traditional Native healing.

We administer more than \$42 million in IHS facilities and related programs and services, and average more than 115,000 patient encounters each year. These are Federal services, which we operate on behalf of the Federal Government, through a self-governance compact and associated funding agreement.

To carry out IHS programs under this contract requires us to incur many fixed costs, including a number of costs mandated by the Federal Government. These costs include substantial annual audit costs, insurance costs, and an array of administrative costs to operate our personnel and financial management systems.

Only a small portion of these contract support costs are covered in the direct service budget which IHS contracts to pay. This is because IHS either does not incur these costs at all (in the case of audit expenses and insurance costs) or because IHS receives resources to carry out these functions from other parts of the Government, including other DHHS divisions, and even other departments of the Federal Government. Still, these are mandatory fixed costs which SEARHC must incur every year. Each year the DHHS Division of Cost Allocation, Western Field Office sets these costs for SEARHC, and under our contract and the law, IHS is then required to pay them—in full.

But IHS does not pay these costs in full. It does not even budget to pay them in full. In fact, it is never even clear how much IHS will honor under the contract until the contract is already performed. Even this year—nearly half way through the year—we have no idea what IHS will pay us.

SEARHC has no tax base. Most tribes have no tax base. Therefore, the only way for SEARHC to make up for the difference is to divert resources that would otherwise support the delivery of services. Every year this shortfall severely impacts our ability to serve the Alaska Native community. What is worse is that in no other area of Government contracting does the United States fail to pay its contractors in full.

SEARHC is a member of the National Tribal Contract Support Cost Coalition, and we fully endorse the NTCSCC's testimony. Full funding of contract support costs in fiscal year 2014, at a \$99 million increase above the President's request, would honor SEARHC's contract and stop the bleeding of direct service funds to compensate for IHS's contract support cost shortfalls.

One final word. It has been 9 years since the Supreme Court required the Government to honor its self-determination contracts with tribal healthcare providers. That was the landmark case of *Cherokee Nation v. Leavitt*. It has now been 10 months since the Court reaffirmed that decision in the *Ramah Navajo* and *Arctic Slope* cases. In light of those decisions it is stunning that IHS would dare to defy the Court, and dare to overtly discriminate against Indian tribal contractors, by now suggesting a new strategy for avoiding its liability. If IHS devoted a fraction of the time it spends trying to avoid its contract obligations to instead meeting those obligations, we would not be here.

But one thing is clear: We have a deal with Congress and with IHS, and now is not the time to unilaterally change it. Our contracts, and the law under which they are executed, require IHS to pay us for the work we do—not to pay us in part but

in “full.” That is what the law says. “Full.” The law also says we can file a claim with IHS if payments fall short. We absolutely oppose IHS’s insertion of new appropriations language to unilaterally change our contracts and unilaterally change the law by insulating IHS from any future liability for its underpayments. It is a shocking reaction-in-avoidance to multiple losses in the courts. It is insulting to Indian people and tribal governments. And it is just plain wrong.

I thank you for the opportunity to provide testimony to the subcommittee on these important matters.

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PREPARED STATEMENT OF THE SOUTHCENTRAL FOUNDATION

Southcentral Foundation (SCF) is a tribal organization that compacts with the Secretary of Health and Human Services under title V of the Indian Self-Determination Act. Under SCF’s compact we carry out various Indian Health Service programs across our region. SCF acts pursuant to tribal authority granted by Cook Inlet Region, Inc., an Alaska Native regional corporation designated by Congress as an Indian Tribe for purposes of Indian Self-Determination Act activities. Once again, SCF requests that in fiscal year 2014 Congress fully fund our Mat-Su Clinic joint venture staffing requirements, as required by our joint venture contract agreement with IHS since last year, and fully fund SCF’s and all other contract support cost requirements at \$617 million, as the Supreme Court and other courts required last year.

For more than 25 years SCF has carried out IHS programs under Self-Determination Act agreements. In accordance with its self-governance compact with the Department of Health and Human Services, SCF currently provides medical, dental, optometric, behavioral health and substance abuse treatment services to over 45,000 Alaska Native and American Indian beneficiaries living within the Municipality of Anchorage, the Matanuska-Susitna Borough, and nearby villages. SCF also provides services to an additional 13,000 residents of 55 rural Alaska villages covering an area exceeding 100,000 square miles and larger than the State of Oregon. Finally, SCF provides statewide tertiary OB/GYN and pediatric services for 110,000 Alaska Native people. To administer and deliver these critical healthcare services, SCF employs more than 1,400 people.

Today I will focus my remarks on two issues, joint venture funding and contract support cost funding.

JOINT VENTURE FUNDING

The first issue I need to address concerns our joint venture (JV) contract with IHS. Under section 818(e) of the Indian Health Care Improvement Act, IHS is authorized to enter into JV contracts under which: a Tribe borrows funds to build a facility to IHS specifications, and IHS agrees “to provide the equipment, supplies, and staffing for the operation and maintenance of such health facility.” The agreements are contracts; they are enforceable as contracts.

Three years ago SCF and IHS entered into a binding joint venture contract. SCF agreed to construct a new 88,451-square-foot Primary Care Clinic in the Mat-Su Valley of Alaska, using borrowed funds from non-IHS sources. In return, IHS agreed that it “shall provide the supplies and staffing for the operation and maintenance of the Facility . . . subject to appropriations by the Congress.” At the same time, IHS only agreed to fund 85 percent of our staffing requirements, explaining that, on average, IHS facilities are only funded at 85 percent of their need. See Art. VIII.A. See also Art. VIII.G (“IHS will staff, operate and Maintain the Facility in accordance with Articles XI through XIV of this Agreement.”); Art. XI (“As authorized by section 818(e)(2) of Public Law 94–437 (“subject to the availability of appropriations for this joint venture project, commencing on the beneficial occupancy date IHS agrees to provide the supplies, and staffing necessary for the operation and maintenance of the Facility. The IHS will request funding from Congress on the same basis as IHS requests funding for any other new Facility.”)

Last July we received our certificate of beneficial occupancy. IHS, in turn, provided \$2 million of our \$27 million annual staffing requirement. We appreciate IHS’s action, since IHS had not anticipated SCF opening our doors in fiscal year 2012. But now we have been operational all of fiscal year 2013, at an IHS-calculated staffing need of \$27 million. Yet, in fiscal year 2013, IHS’s budget only requested 50 percent of the Clinic’s staffing requirement (\$13.5 million). Despite this disappointing request, we are deeply appreciative of the subcommittee’s efforts in the context of sequestration, made in collaboration with IHS and OMB, to secure at least this partial payment within the fiscal year 2013 continuing resolution.

But, we must be perfectly frank with the subcommittee: the amount and timing of this payment have caused severe cutbacks in Clinic operations. Since we remain

\$12 million short in Clinic funding—remember, that is at the IHS 85 percent funding level—SCF has only been able to provide about 50 percent of the medical service capacity, 30 percent of wellness and physical therapy services, only minimal behavioral health services, and nothing in the way of dental, lab, optometry, audiology, OB-GYN, pediatrics, home healthcare, or specialty clinics. Three-quarters of the Clinic has not been operated this fiscal year, though we expect that to improve when this year's funds arrive. Once those funds arrive, we will be able to begin to expand existing services as originally intended. Still, most of the Clinic will remain unused.

It appears the President's budget request is still insufficient to fully fund SCF's Clinic with the remaining \$12 million that is due, even 2 years late, in 2014. The budget request is insufficient and does not honor the joint venture contract under which we built it. It is legally and morally wrong.

Our message is simple: Before IHS requests, and before Congress funds, discretionary increases in other IHS accounts—even an important account like Contract Health Care (which in recent years has already seen a 40 percent increase)—discretionary increases should be suspended until IHS honors its contracts and pays its staffing packages in full.

#### CONTRACT SUPPORT COST FUNDING

The second problem is the budget's inadequate request for contract support cost funding—another contractually required payment to self-governance Tribes like SCF.

The Budget requests an insignificant CSC increase for fiscal year 2014: bringing the total to \$477 million. This is the case, despite projections that the total requirement in fiscal year 2014 is \$617 million. Worse yet, IHS is defying the Supreme Court's *Salazar vs. Ramah* decision: IHS is imposing a cap on contract payments to each contractor when no caps have ever existed in those payments, reaching back to 1975. This would be a radical change in the law, and one which would go far beyond the work of an appropriations committee. Worse yet, we don't even know what those caps will be for us—everything is being done in secret, and won't be known until long after the appropriation is finalized and we are already performing our contracts.

If IHS is going to underpay us, we should at least have the right to go to Court to vindicate our contract rights. This is how it has always been. To now cap our contract by statute is to essentially kill the principal of tribal self-governance and convert us into grantees—an enormous step backward in the Nation's dealings with Indian tribes. It is a radical step back, and one we are confident the authorizing committees would never agree to make.

Contract support cost funding reimburses SCF's fixed costs of running its contract with IHS. If IHS fails to reimburse these costs, SCF has no choice but to cut positions, which in turn cuts services, which in turn cuts down on collections from Medicare, Medicaid and private insurers, which in turn cuts off even more staffing and services for our people. The reverse is also true. When in fiscal year 2010 Congress appropriated an historic increase in contract support cost funding (thanks to this subcommittee's leadership), SCF opened 97 positions to fill multiple healthcare provider teams and support staff.

Our fixed contract support costs are largely "indirect costs." Those costs are set by the IHS Division of Cost Allocation. The remainder of our contract support costs (about 20 percent) are set directly by IHS. These costs include federally mandated audits, and such items as liability and property insurance, workers' compensation insurance, and payroll and procurement systems. We have to buy insurance. We need to make payroll. We have to purchase supplies and services. We have to track property and equipment. All of these costs are independently audited every year by Certified Public Accountants, as required by law.

SCF's contract support cost shortfall in fiscal year 2014 will be \$8.95 million, including the cost of operating the new Clinic (\$5.1 million) on top of our existing contract support cost shortfall (\$3.85 million). The loss of almost \$9 million in contract support costs, plus the remaining \$12 million in new Clinic staff funding, totals \$21 million. That is well over 150 healthcare positions.

This subcommittee has stated the binding nature of our contracts, and has directed IHS (and the BIA) to fully fund all contract support cost requirements. The Supreme Court agreed with this subcommittee. Yet, the IHS budget justification defies this subcommittee's direction and reflects the view that these contracts are not binding at all, and are just another priority to be balanced against something else.

No other Government contractors are treated this way. IHS only treats its contracts with Indian tribes this way—as optional, discretionary agreements that it can

choose to pay or not to pay. We provide a contracted service for a contracted price, but IHS only pays us what it chooses to pay. That is not the law, and this subcommittee should reject IHS's effort to rewrite the law.

In fiscal year 2014 IHS should finally pay its contract obligations in full, even if this means forgoing other increases, and even if this means cutting IHS's internal bureaucracy. Either the contract support cost line-item should be fully funded at \$617 million, or the capped contract support cost earmark should be eliminated altogether (as was the case prior to 1998). The subcommittee should certainly reject the administration's shocking new proposal to cap individual contracts. This way, the subcommittee will preserve the remedies which existing statutory law provides contractors that suffer contract underpayments.

As SCF has said here before, underfunding contract support costs disproportionately balances budgetary constraints on the backs of tribal contractors. Worse yet, it punishes the people being served by forcing reductions in contracted programs. If Congress is going to cut budgets or limit increases, fairness demands that such actions occur in those portions of the budget that are shouldered equally by IHS and the tribes (as sadly occurred with the sequester). Tribes should not shoulder the full burden of a cut.

Again, SCF respectfully calls upon Congress in fiscal year 2014 to eliminate all existing caps on contract payments. Alternatively, SCF respectfully calls upon Congress to provide \$617 million in contract support cost funding. Every Tribe has contracts with IHS to carry out some of the agency's healthcare services, and most are still being penalized for taking that initiative. Closing the contract support cost gap will eliminate that penalty and directly benefit the vast majority of Indian and Alaska Native communities served by IHS.

#### DATA DISCLOSURE

On a related note, SCF requests that Congress direct IHS to resume promptly disclosing to tribes and to Congress all IHS data on contract support cost requirements and payments. Up until 2011, IHS disclosed such information to the tribes, albeit informally. Then suddenly IHS stopped—because IHS was embarrassed by errors in its data. IHS claims the data is protected from disclosure until it is approved by the Secretary. But, the Secretary then holds the report back from Congress for years. The fiscal year 2011 data is now 1 year late, even by IHS's own calculations. The fiscal year 2009 data was 2 years late. The 2014 budget keeps secret the agency's projected total CSC requirement.

Contract support cost appropriations belong to the tribes. Tribes have a right to know what is happening to these funds on a timely basis. So does this subcommittee. We therefore respectfully urge that the subcommittee eliminate all privileges against disclosure of IHS data if that data is not timely released to Congress under existing law. This way, the subcommittee can properly perform its budget oversight function, and tribes, too, can hold the agency accountable.

Thank you for the opportunity to testify on behalf of the Southcentral Foundation and the 58,000 Native American people we serve.

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#### PREPARED STATEMENT OF THE SOCIETY FOR HISTORICAL ARCHAEOLOGY

Request:

—\$46.925 million for State Historic Preservation Offices (SHPOs); and

—\$8.985 million for the Tribal Historic Preservation Offices (THPOs).

These programs are funded through withdrawals from the U.S. Department of the Interior's National Park Service Historic Preservation Fund (HPF) (16 U.S.C. § 470h).

#### ABOUT SHA AND ITS MEMBERS

SHA is the largest organization in the world dedicated to the archaeological study of the modern world and the third largest anthropological organization in the United States. It promotes scholarly research and knowledge concerning historical archaeology, and is specifically concerned with the identification, excavation, interpretation, and conservation of sites and materials on land and underwater. SHA and its more than 2,300 members strongly support the protection of cultural and historical resources and sites around the Nation.

FUNDING SHPOS AND THPOS IS CRITICALLY IMPORTANT TO PROTECTING U.S.  
ARCHAEOLOGY

In 1966, Congress, recognizing the importance of our heritage, enacted the National Historic Preservation Act (16 U.S.C. § 470, et seq.) (NHPA), which established historic preservation as a Federal Government priority. Historic preservation recognizes that what was common and ordinary in the past is often rare and precious today, and what is common and ordinary today may be extraordinary in the future.

Instead of using Federal employees to carry out the act, the Department of the Interior and the Advisory Council on Historic Preservation opted to partner with the States and use SHPOs and THPOs to review all Federal projects for their impact on historic properties, among other tasks. In order for the review process to work smoothly and for historical archaeological sites to be protected, SHPOs and THPOs must have adequate funding. Proper financial support for their work allows SHPOs and THPOs to review and approve projects in a timely basis, moving projects forward in an efficient manner and protecting irreplaceable cultural and historical resources and sites.

CONCLUSION

SHA would like to thank you, Chairwoman Mikulski, and all the members of the Senate Appropriations Subcommittee on Interior, Environment and Related Agencies for the opportunity to submit testimony.

SHA would also like to thank the subcommittee for its commitment to historic preservation.

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PREPARED STATEMENT OF SUSAN INDIAN RANCHERIA

On behalf of the Susanville Indian Rancheria, I submit this written testimony for the fiscal year 2014 budget request. My testimony requests the following:

- Full funding of the Indian Health Service contract support costs at \$617 million.
- Full funding of the Bureau of Indian Affairs contract support costs at \$242 million.
- Rejection of the administration's proposed BIA and IHS contractor-by-contractor contract support costs caps.
- Directing the Indian Health Service to release contract support costs data for fiscal years 2011 and 2012.
- Protecting the Indian Health Service from sequestration.

The Susanville Indian Rancheria includes over 1,030 tribal citizens located in Northern California. The Tribe operates several programs through Indian Self-Determination Act contracts with the Bureau of Indian Affairs (BIA), including the Tribe's two largest: the Consolidated Tribal Government Program and the Road Maintenance Program. Through these programs, the Tribe operates aid to tribal government, Johnson O'Malley, social services, Indian child welfare, community fire protection, adult and higher education, and job placement programs, as well as projects to maintain the Tribe's infrastructure. Through these programs, the Tribe is a vital part of the Susanville and Lassen County economic community.

The Tribe also operates the Lassen Indian Health Center via a title V self-governance compact with the Indian Health Service (IHS). The Tribe and the Health Center serve not only our tribal members, but also lineal descendants of California Indians. As a result, our service population for Lassen County is over 1,900 individuals of Indian descent. The Health Center is a vital link for our patients, who receive medical and dental care, behavioral health services, alcohol and drug counseling, and pharmacy services. Providing both governmental and healthcare services is an important role for the Tribe, but we depend on our contract partners—the IHS and the BIA, and through them, the Congress, to fulfill their contractual obligations.

CONGRESS MUST FULLY FUND CONTRACT SUPPORT COSTS

One of these obligations is that the BIA and the IHS will fully fund the contract support costs (CSC) that cover the administrative and overhead portions of the programs the Tribe has contracted to operate in place of the Federal Government. We are grateful for recent increases in CSC, but there is still a ways to go in meeting the true need. Unfortunately, the President's proposed budget would continue the underfunding of CSC, particularly with regard to the IHS, crippling all tribes' ability to operate their programs as intended.

*Indian Health Service*

The President proposes \$477,205,000 for contract support costs in the IHS for fiscal year 2014. This amount is far below the estimated need of \$617 million. While Congress has in the past appropriated additional funding for CSC owed to tribes and tribal organizations under the Indian Self-Determination and Education Assistance Act and Federal case law, those additional appropriated funds are not enough to eliminate the ongoing shortfall of CSC. As a result, the Tribe continues to endure significant financial restrictions that translate into less healthcare for our patients.

For example, in fiscal year 2012, the Tribe's CSC was funded at only 78 percent of actual need. This shortfall forced the Tribe to transfer funds intended to provide health services into operations and administrative accounts that keep our programs running. For too long, the Government has treated tribal contractors differently from other Government contractors with regard to CSC payment. The Supreme Court ruled this disparity is unjustified, and in its decision *Salazar v. Ramah Navajo Chapter*, ordered the Government to pay full CSC to tribal contractors. 132 S. Ct. 2181 (2012).

In an attempt to skirt this responsibility, the administration proposes to limit CSC payments to tribal contractors by submitting a list of contractors to the House and Senate Appropriations Committees, with recommended, individual appropriations for each contractor. This proposed system is not only untenable and unwieldy; it is also unjust. The administration has proven itself incapable of properly accounting for contract support costs, and we have no indication the agencies will include contractors in this process to ensure the lists reflect contractors' need. The simplest and most fair answer is to fully fund tribal contractors' CSC.

We urge the Congress to reject the President's proposal outright, and fully fund IHS contract support costs at \$617 million.

*Bureau of Indian Affairs*

The President proposes \$230 million for Bureau of Indian Affairs contract support costs. This amount is closer to the estimated full need of \$242 million than the IHS proposal, but we ask that Congress fully fund the BIA's CSC as well.

The President's proposal to limit CSC funding via contractor-by-contractor caps applies to the BIA as well. Again, we strongly reject this effort, particularly because the administration has made no effort to include tribes and tribal contractors in the process of preparing the proposed CSC tables. While the President's proposal says this new effort is part of the "longstanding policy of managing CSC costs," tribes know that this means saddling contractors with chronic CSC shortfalls like the Tribe experiences year after year. These shortfalls are an effective penalty for engaging in self-determination or self-governance contracting. Both the annual underfunding and the administration's misguided proposal for fiscal year 2014 are contrary to the stated policy of both the Congress and the administration to encourage tribal self-determination.

We urge the committee instead to fully fund the BIA contract support costs at \$242 million, which will erase the need for the administration's contortionist proposal to handle CSC shortfalls.

## DIRECT THE IHS TO RELEASE CSC SHORTFALL REPORTS

IHS must submit CSC shortfall reports to Congress no later than May 15 of each year, per section 106(c) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. § 450j-1(c)). Yet, the IHS has failed to submit CSC shortfall reports for fiscal years 2011 and 2012. Tribes have repeatedly asked the agency to release this data, which is critical for our ability to understand the IHS's view of the underfunding, and to pursue full payment of CSC, to which the Tribe is legally entitled. The IHS has refused to release these reports time and again, most recently in March of this year.

We ask the committees to direct the IHS to release the shortfall data for fiscal years 2011 and 2012 immediately, as required under the law.

## PROTECT THE INDIAN HEALTH SERVICE FROM SEQUESTRATION

The Office of Management and Budget determined that the IHS's discretionary appropriation is fully sequestrable, which resulted in a \$220 million cut in funding to the IHS for fiscal year 2013—roughly 5 percent of the IHS's overall budget. IHS lost \$195 million for programs like hospitals and health clinics services, contract health services, dental services, mental health and alcohol and substance abuse. Programs and projects necessary for maintenance and improvement of health facilities felt these same impacts. These consequences are then passed down to every ISDEAA contractor, including the Lassen Indian Health Center. The Center is al-



ready significantly underfunded, and sequestration resulted in further cuts to the availability of health services we are able to provide to our patients. This creates real, negative consequences for individuals who have to forego needed care.

We suffer these reductions and experience these new challenges to providing healthcare for the people in our service area, despite the United States' trust responsibility for the health of American Indian and Alaska Native people.

We cannot understand why this responsibility was taken less seriously than the Nation's promises to provide health to our veterans. The Veterans Health Administration (VA) was fully exempt from the sequester for all programs administered by the VA. See section 255 of the Balanced Budget and Emergency Deficit Control Act (BBEDCA), as amended by Public Law 111-139 (2010). Also exempt are State Medicaid grants, and Medicare payments are held harmless except for a 2 percent reduction for administration of the program. Yet the IHS—which already faces low funding—was subject to full cuts. We thus strongly urge the committee to support amendment of the BBEDCA to fully exempt the IHS from any sequestration procedures, just as the VA's and other health programs are exempt. We recognize that the President's proposed budget is designed to eliminate future sequestrations, but Congress will work its will on that proposal, so we seek an amendment to exempt the IHS from sequestration.

#### CONCLUSION

Ensuring full funding of tribal programs at the Bureau of Indian Affairs and the Indian Health Service is important not only to Tribes like the Susanville Indian Rancheria, but to the communities around us. We recognize the economic hardships facing the country, but remind Congress that funding our programs enables us to create more jobs for Indians, non-Indians, tribal members, and neighbors alike. This helps our national economy grow from the ground up. Accordingly, we urge you to honor our requests to fully fund Indian programs in fiscal year 2014.

Thank you for your consideration, and I will be glad to provide any additional information the committees may request.

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#### PREPARED STATEMENT OF THE SQUAXIN ISLAND TRIBE

On behalf of the tribal leadership and members of the Squaxin Island Tribe, I am honored to submit our funding priorities and recommendations for the fiscal year 2014 budgets for the Bureau of Indian Affairs (BIA) and Indian Health Service (IHS). We strongly urge for the sequester to be replaced since it threatens the trust responsibility and reduces portions of the budget that are not major contributors to the deficit. We further ask that you consider the following requests:

#### TRIBAL SPECIFIC REQUESTS

\$500,000 Shellfish Management Program  
 \$2 Million to Build and Operate an Oyster and Clam Nursery for Southern Puget Sound  
 \$1.3 Million Increase for Northwest Indian Treatment Center (NWITC) Residential Program in IHS

#### REGIONAL REQUESTS AND RECOMMENDATIONS

The Squaxin Island Tribe is actively involved in the collective Northwest Tribal efforts and supports the requests and recommendations of: Northwest Indian Fisheries Commission, Affiliated Tribes of Northwest Indians, and Northwest Portland Area Indian Health Board.

#### SELF-GOVERNANCE AND NATIONAL REQUESTS/RECOMMENDATIONS

Squaxin Island Tribe requests that all Bureau of Indian Affairs (BIA) and Indian Health Service (IHS) line items should be exempt from any budget recessions and discretionary funding budget reductions. We support the 2014 State of Indian Nations budget requests as presented by the National Congress of American Indians.

#### BUREAU OF INDIAN AFFAIRS

+ \$8.9 million more than 2012 enacted to Fully Fund Contract Support Costs  
 + 10 percent for Tribal Priority Allocations over 2012 enacted level  
 Fully fund all of the provisions of the Tribal Law and Order Act of 2010 and the Violence Against Women Act of 2012

Increase funding to the Office of Self-Governance to fully staff the office for the increase of Tribes entering Self-Governance

INDIAN HEALTH SERVICE

+ \$5.8 million and maintain the CSC status quo statutory language enacted in fiscal year 2013

+ \$403 million for Mandatory Costs to maintain current services

+ \$9.4 million for Alcohol and Substance Abuse Prevention Services

+ \$171.6 million for Purchased/Referred Care Program (formerly Contract Health Services)

Fully Fund the Implementation of the Indian Health Care Improvement Act

+ \$5 million for the IHS Office of Tribal Self-Governance

SQUAXIN ISLAND TRIBE BACKGROUND

We are native people of South Puget Sound and descendants of the maritime people who lived and prospered along these shores for untold centuries. We are known as the People of the Water because of our strong cultural connection to the natural beauty and bounty of Puget Sound going back hundreds of years. The Squaxin Island Indian Reservation is located in southeastern Mason County, Washington and the Tribe is a signatory to the 1854 Medicine Creek Treaty. We were one of the first 30 federally recognized tribes to enter into a Compact of Self-Governance with the United States.

Our treaty-designated reservation, Squaxin Island, is approximately 2.2 square miles of uninhabited forested land, surrounded by the bays and inlets of southern Puget Sound. Because the Island lacks fresh water, the Tribe has built its community on roughly 26 acres at Kamilche, Washington purchased and placed into trust. The Tribe also owns 6 acres across Pickering Passage from Squaxin Island and a plot of 36 acres on Harstine Island, across Peale Passage. The total land area including off-reservation trust lands is 1,715.46 acres. In addition, the Tribe manages roughly 500 acres of Puget Sound tidelands.

The tribal government and our economic enterprises constitute the largest employer in the county with over 1,250 employees. The Tribe has a current enrollment of 1,040 and an on-reservation population of 426 living in 141 homes. Squaxin has an estimated service area population of 2,747, a growth rate of about 10 percent, and an unemployment rate of about 30 percent (according to the BIA Labor Force Report).

TRIBAL SPECIFIC REQUESTS JUSTIFICATIONS

*\$500,000—Shellfish Management.*—The Squaxin Island Tribes faces a budget deficit to maintain and operate the shellfish program at the current level. To effectively grow and develop the program, an annual minimum increase of \$500,000 to address the shortfall and ensure the continuance of this program is requested.

Shellfish have been a mainstay for the Squaxin Island people for thousands of years and are important today for subsistence, economic and ceremonial purposes. The Tribe's right to harvest shellfish is guaranteed by the 1854 Medicine Creek Treaty. It is important to remember that these rights were not granted by the Federal Government. They were retained by the tribe in exchange for thousands of acres of tribal lands. On December 20, 1994 U.S. District Court Judge Edward Rafeedie reaffirmed the Tribe's treaty right to naturally occurring shellfish. Rafeedie ruled that the Tribe(s) has the right to take up to 50 percent of the harvestable shellfish on Washington beaches.

The Squaxin Island Natural Resources Department (SINRD) is charged with protecting, managing and enhancing the land and water resources of the Tribe, including fish and shellfish habitat and species. In so doing, the Department works cooperatively with State and Federal environmental, natural resources and health agencies. The shellfish management work of the SINRD includes working with private tideland owners and commercial growers; surveying beaches; monitoring harvests; enhancing supply (prepping, seeding, monitoring beds) and licensing and certifying harvesters and geoduck divers. We estimate that 20 percent of treaty-designated State lands and 80–90 percent of private tidelands are inaccessible to us due to insufficient funding.

In fiscal year 2011, the shellfish program represented only \$250,000 of the \$3.3 million budget. The result is we are unable to fully exercise our treaty rights due to lack of Federal support for shellfish.

*\$2 Million—Build and Operate an Oyster and Clam Nursery for Southern Puget Sound.*—In the past few years, problems with seed production have developed in the shellfish industry. These problems have been primarily caused by weather and or

other environmental factors, and their effects on the industry have resulted in the lack of viable and large enough seed for growers. The Squaxin Island Tribes recognizes that it is uniquely positioned to develop a new nursery to serve the shellfish growers of the South Puget Sound region. A shellfish nursery is a capital project that is both proven and a cost effective technology that takes small oyster and clam seeds and provides a safe and controlled environment for the seeds to grow onto a size that survive integration onto a regular beach placement. We have an ideal location for a nursery because it will not be disturbed by residents or recreational boaters.

Our efforts will be an extension of another project that was created through a U.S. Department of Agriculture appropriation nearly two decades ago for the Lummi Tribe, which created an oyster and clam hatchery in Northern Puget Sound. The Lummi project over years has been very successful and they have supplied not only their own beaches but other Tribes' as well. The project would benefit not just Squaxin Island Tribe. It would further improve the quality and quantity of seed and make the seed process more effective for Tribal and non-Tribal growers. The users of the facility would be the Squaxin Island Tribe, other Tribes, and non-Tribal clam and oyster businesses that have been largely unable to find sites for this type of operation.

The Tribe's project will be a joint venture with the Lummi Nation, in that Lummi would be a primary larvae supplier. The project, with the expected grow-out and expansion of the industry attributable to the improved supply of seed, would offer jobs in a depressed employment area. Once established, the venture would be fully self-sustaining through sales of the product grown and at the nursery.

This project would be a capital cost of approximately \$2 million. The Tribal in-kind contribution to the efforts would include land and shoreline and operating costs. Comparable land and shoreline, if privately owned, would be easily valued in the millions.

*\$1.2 Million Increase for Northwest Indian Treatment Center (NWITC) Residential Program in IHS "D3WXbi Palil" meaning "Returning from the Dark, Deep Waters to the Light".*—NWITC has not received an adequate increase in its base Indian Health Service budget since the original congressional set-aside in 1993. An increase of \$1.2 million would restore lost purchasing power and meet the need to add mental health and psychiatric components to the treatment program. This increase would allow NWITC to continue its effective treatment of Native Americans. The Squaxin Island Tribe operates the NWITC, which is located in Elma, Washington. NWITC is a residential chemical dependency treatment facility designed to serve American Indians from Tribes located in Oregon, Washington and Idaho who have chronic relapse patterns related to unresolved grief and trauma. NWITC is unique in its integration of Tribal cultural values into a therapeutic environment for co-occurring substance abuse and mental health disorders.

NWITC has nearly 20 years of experience providing residential treatment with culturally competent models and is accredited by the Commission on Accreditation of Rehabilitation Facilities (CARF), an international accrediting organization for behavioral health programs. The NWITC is also certified by Washington State Division of Alcohol and Substance Abuse (DASA) Division of Behavioral Health and licensed by the Department of Health.

In 2011, the NWITC served 212 patients from 28 Tribes and added intensive case management and crisis support to alumni in order to continue to promote positive outcomes for clients. This is a 10 percent increase over 2010 service levels. Our base allocation in 1994 was \$850,161. In 2010 it was \$994,877. If value equity to the 1994 baseline were maintained, the 2010 allocation would have been \$1,250,895. Despite funding challenges, NWITC has continued to develop and deliver innovative, culturally appropriate services to meet increasingly complex demands.

It is critical to increase the NWITC's annual base allocation from IHS in order to sustain the current services to the Tribes of the Northwest. We respectfully request the subcommittee increase the annual base allocation for the NWITC by \$1,200,000 additional to guarantee that patients can be admitted based on need, not State funding streams, and that culturally infused, integrated and comprehensive treatment services and recovery support services will be maintained.

#### SEQUESTRATION

Although we are submitting testimony on fiscal year 2014, we must comment on the fiscal year 2013 sequestration of discretionary programs. The tribal leaders of the Tribal Interior Budget Council (TIBC) and the National Congress of American Indians (NCAI) passed unanimous resolutions that the trust and treaty obligations to Tribes should not be subject to sequestration. The sequester reductions to tribal

programs undermine Indian treaty rights and obligations—treaties which were ratified under the Constitution and considered the “supreme law of the land.” The ongoing contribution of tribal nations to the U.S. economy is the land on which this Nation is built. In exchange for land, the United States agreed to protect tribal treaty rights, lands, and resources, including provision of certain services for American Indian and Alaska Native Tribes and villages, which is known as the Federal Indian trust responsibility. Indiscriminate cuts sacrifice not only the trust obligations, but it thwarts Tribes’ ability to promote economic growth or plan for the future of Native children and coming generations.

The fiscal year 2013 sequester and expected reductions due to the Budget Control Act caps will hurt law enforcement, education, health care and other tribal services, which have been historically underfunded and have failed to meet the needs of tribal citizens. We strongly urge that you replace the sequester since it threatens the trust responsibility and reduces portions of the budget that are not major contributors to the deficit.

Thank you.

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PREPARED STATEMENT OF THE SOUTHERN NEVADA WATER AUTHORITY AND THE  
COLORADO RIVER COMMISSION OF NEVADA

As Congress continues work on the fiscal year 2014 budget, we urge you to support as a priority the continued funding for the Colorado River Basin Salinity Control Program (Program) under the Bureau of Land Management’s (BLM) Soil, Water and Air Program. This includes fiscal year 2014 Federal funding of \$1.5 million for salinity-specific projects to prevent further degradation of the quality of the Colorado River and increased downstream economic damages.

Salinity concentrations of Colorado River water are lower by more than 100 milligrams per liter (mg/L) since the initiation of the Program. The concentrations of salts in the Colorado River cause approximately \$376 million in quantified damages in the Lower Basin each year and significantly more immeasurable damages. Modeling by the U.S. Bureau of Reclamation indicates that quantifiable damages will rise to approximately \$577 million per year by 2030 without the Program’s continuation.

Colorado River water salinity increases from about 50 mg/L at its headwaters to more than 700 mg/L in the Lower Basin. High salt levels in the water cause significant economic damages downstream. For example, damages occur from:

- increased use of imported water and cost of desalination and brine disposal for recycling water in the municipal sector;
- a reduction in the useful life of water pipe systems, water heaters, faucets, garbage disposals, clothes washers, and dishwashers, and increased use of bottled water and water softeners in the household sector;
- an increase in the cost of cooling operations and the cost of water softening, and a decrease in equipment service life in the commercial sector;
- an increase in the use of water and the cost of water treatment, and an increase in sewer fees in the industrial sector;
- a decrease in the life of treatment facilities and pipelines in the utility sector;
- a reduction in the yield of salt sensitive crops and increased water use to meet the leaching requirements in the agricultural sector; and
- difficulty in meeting wastewater discharge requirements to comply with National Pollutant Discharge Elimination System permit terms and conditions, and an increase in desalination and brine disposal costs due to accumulation of salts in groundwater basins.

The Program reduces salinity by preventing salts from dissolving and mixing with the Colorado River’s flow. The Program benefits Colorado River water users in both the Upper Basin through more efficient water management, and the Lower Basin through reduced salinity concentration of Colorado River water.

To deal with salinity level concerns, the Colorado River Basin Salinity Control Act (act) was signed into law in 1974. The act provides for the Secretary of the Interior to develop a comprehensive program for minimizing salt contributions to the Colorado River from lands administered by the Bureau of Land Management. Geological conditions and past management practices have led to human-induced and accelerated erosion processes from which soil and rocks, heavily laden with salt, are deposited in various stream beds or flood plains. As a result, salts are dissolved into the Colorado River system causing water quality problems for Lower Basin water users.

The Program has proven to be a very cost effective approach to help mitigate increased salinity impacts on the Colorado River. Continued Federal funding of this

Basinwide Program is essential to the Southern Nevada Water Authority and the Colorado River Commission of Nevada.

Again, we urge you to support continued funding of \$1.5 million for the Colorado River Basin Salinity Control Program under the BLM's Soil, Water and Air Program for fiscal year 2014 to prevent further degradation of Colorado River water and increased Lower Basin economic damages, and to provide improved drinking water quality to nearly 40 million Americans.

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PREPARED STATEMENT OF THE SOUTHERN NEVADA WATER AUTHORITY AND THE  
COLORADO RIVER COMMISSION OF NEVADA

Waters from the Colorado River are used by nearly 40 million people for municipal and industrial purposes, and also are used to irrigate approximately 4 million acres in the United States. Natural and man-induced salt loading to the Colorado River creates environmental and economic damages. The U.S. Bureau of Reclamation (Reclamation) has estimated the current quantifiable damages at about \$376 million per year. Congress authorized the Colorado River Basin Salinity Control Program (Program) in 1974 to offset increased damages caused by continued development and use of the waters of the Colorado River. Modeling by Reclamation indicates that the quantifiable damages would rise to approximately \$577 million per year by 2030 without continuation of the Program. Congress directed the Secretary of the Interior to implement a comprehensive program for minimizing salt contributions to the Colorado River from lands administered by the Bureau of Land Management (BLM). BLM funds these efforts through its Soil, Water and Air Program. BLM's efforts are an essential part of the overall effort. A funding level of \$5.2 million for general water quality improvement efforts within the Colorado River Basin and an additional \$1.5 million for salinity specific projects in fiscal year 2014 is requested to prevent further degradation of the quality of the Colorado River and increased downstream economic damages.

The Environmental Protection Agency (EPA) has identified that more than 60 percent of the salt load of the Colorado River comes from natural sources. The majority of land within the Colorado River Basin, much of which is administered by BLM, is federally owned. In implementing the Colorado River Basin Salinity Control Act (act) in 1974, Congress recognized that most of the salt load in the Colorado River originates from federally owned lands. Title I of the act addresses the United States' commitment to the quality of waters being delivered to Mexico. Title II of the act deals with improving the quality of the water delivered to users within the United States. This testimony deals specifically with the title II efforts.

In 1984, Congress amended the act and directed that the Secretary of the Interior develop a comprehensive program for minimizing salt contributions to the Colorado River from lands administered by BLM. In 2000, Congress reiterated its directive to the Secretary and requested a report on the implementation of BLM's program (Public Law 106-459). In 2003, BLM employed a Salinity Coordinator to increase BLM efforts in the Colorado River Basin and to pursue salinity control studies and implement specific salinity control practices. With a significant portion of the salt load of the Colorado River coming from BLM administered lands, the BLM portion of the overall program is essential to the success of the effort. Inadequate BLM salinity control efforts will result in significant additional economic damages to water users downstream.

Concentration of salt in the Colorado River causes approximately \$376 million in quantified damages and significantly more in immeasurable damages in the United States and results in poor water quality for United States users. Damages occur from:

- a reduction in the yield of salt sensitive crops and increased water use to meet the leaching requirements in the agricultural sector;
  - increased use of imported water and cost of desalination and brine disposal for recycling water in the municipal sector;
  - a reduction in the useful life of water pipe systems, water heaters, faucets, garbage disposals, clothes washers, and dishwashers, and increased use of bottled water and water softeners in the household sector;
  - an increase in the cost of cooling operations and the cost of water softening, and a decrease in equipment service life in the commercial sector;
  - an increase in the use of water and the cost of water treatment, and an increase in sewer fees in the industrial sector;
  - a decrease in the life of treatment facilities and pipelines in the utility sector;
- and

—difficulty in meeting wastewater discharge requirements to comply with National Pollutant Discharge Elimination System permit terms and conditions, and an increase in desalination and brine disposal costs due to accumulation of salts in groundwater basins.

The Colorado River Basin Salinity Control Forum (Forum) is composed of gubernatorial appointees from the Basin States (Arizona, California, Colorado, Nevada, New Mexico, Utah and Wyoming). The Forum is charged with reviewing the Colorado River's water quality standards for salinity every 3 years. In so doing, it adopts a Plan of Implementation consistent with these standards. The level of appropriation requested in this testimony is in keeping with the adopted Plan of Implementation. If adequate funds are not appropriated, significant damages from the higher salt concentrations in the water will be more widespread in the United States and Mexico.

In summary, implementation of salinity control practices through BLM's Soil, Water and Air Program has proven to be a cost effective method of controlling the salinity of the Colorado River and is an essential component to the overall Colorado River Basin Salinity Control Program. Continuation of adequate funding levels for salinity control within this program will assist in preventing further degradation of the water quality of the Colorado River and significant increases in economic damages to municipal, industrial and irrigation users. A modest investment in source control pays huge dividends in improved drinking water quality to nearly 40 million Americans.

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PREPARED STATEMENT OF THE STATE OF NEW MEXICO

I am requesting your support for fiscal year 2014 appropriations to the Fish and Wildlife Service (FWS) for the Upper Colorado River Endangered Fish Recovery Program and the San Juan River Basin Recovery Implementation Program. The Upper Colorado and San Juan recovery programs are highly successful collaborative conservation partnerships involving the States of Colorado, New Mexico, Utah and Wyoming, Indian Tribes, Federal agencies and water, power and environmental interests. They are working to recover the four species of native Colorado River fish such that they can each be removed from the Federal endangered species list. Through these efforts, water use and development have continued in our growing western communities in full compliance with the Endangered Species Act (ESA), State water and wildlife law, and interstate compacts.

Implementation of the ESA has been greatly streamlined for Federal agencies, tribes and water users through the conduct of these recovery programs. Recognizing the need for fiscal responsibility, I must also point out the participants would all be spending much more in ESA-related costs absent in these programs.

The State of New Mexico requests action by the subcommittee to:

- Appropriate \$706,300 in "Recovery" funds (Resource Management Appropriation; Ecological Services Activity; Endangered Species Subactivity; Recovery of Listed Species Program Element; within the "Recovery" element item) for fiscal year 2014 to allow the U.S. Fish and Wildlife Service (FWS) Region 6 to continue its essential participation in the Upper Colorado River Endangered Fish Recovery Program.
- Appropriate \$200,000 in "Recovery" funds (Resource Management Appropriation; Ecological Services Activity; Endangered Species Subactivity; Recovery of Listed Species Program Element; within the "Recovery" element item) to allow FWS Region 2 to continue its essential participation in the San Juan River Basin Recovery Implementation Program during fiscal year 2014.
- Appropriate \$485,800 in operation and maintenance funds (Resource Management Appropriation; Fisheries and Aquatic Resource Conservation Activity; National Fish Hatchery Operations Subactivity; within the "National Fish Hatchery System Operations" Subactivity item) for fiscal year 2014 endangered fish propagation and hatchery activities at the FWS' Ouray National Fish Hatchery. Operation of this facility is integral to the Upper Colorado Recovery Program's stocking program.

On behalf of the State of New Mexico, I thank you for your consideration of this request and for the past support and assistance of your subcommittee; it has greatly facilitated the ongoing and continuing success of these multi-State, multi-agency programs that are vital to the recovery of the endangered fish and providing necessary water supplies for the growing Intermountain West.

## PREPARED STATEMENT OF THE STATE OF WYOMING

The State of Wyoming supports the Upper Colorado River Endangered Fish Recovery Program and the San Juan River Basin Recovery Implementation Program. The Upper Colorado and San Juan recovery programs have been successful collaborative conservation partnerships involving Colorado, New Mexico, Utah, Wyoming, Indian Tribes, Federal agencies, water, power and environmental interests. This program works to recover four species of endemic Colorado River fish such that they can each be removed from the Federal endangered species list. Through the programs, water use and development have continued in full compliance with the Endangered Species Act (ESA), State water and wildlife law, and interstate compacts. Implementation of the ESA has been streamlined for Federal agencies, tribes and water users.

On behalf of the State of Wyoming, I thank the subcommittee for its past support and assistance to the Upper Colorado River Endangered Fish Recovery Program and the San Juan River Basin Recovery Implementation Program. The subcommittee's actions have facilitated the ongoing and continuing success of multi-State, multi-agency programs for both the recovery of the endangered fish and providing necessary water supplies for the Intermountain West.

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 PREPARED STATEMENT OF THE SHOSHONE-PAIUTE TRIBES OF THE DUCK VALLEY RESERVATION

Chairman Reed, Ranking Member Murkowski, and members of the subcommittee, my name is Dennis Smith. I am the Chairman of the Shoshone-Paiute Tribes of the Duck Valley Indian Reservation. On the Tribes' behalf, I am pleased to submit testimony concerning the fiscal year 2014 budget for the BIA, BLM and IHS.

I am here today with a heavy heart. Earlier this month, my Tribe suffered a great loss. On April 4, 2013, my predecessor, Terry Gibson, walked on. He was only 52 and suffered a heart attack. He was a proud member of the Shoshone-Paiute Tribes and a strong defender of our sovereignty. He worked very hard to improve the health and spirit, education and economic condition of our Tribal members. That is where he devoted his considerable energies, including time here in Washington. We will carry on, but he will be deeply missed.

I will focus my testimony on the following priorities, priorities that were important to Terry:

- Support and build on the President's budget request and increase funding within the Public Safety and Justice, Human Services, Education, Indian Guaranteed Loan and Construction accounts for BIA to adequately staff, operate and maintain juvenile detention facilities, and support and increase the President's budget for the IHS Services account so that Indian tribes may better coordinate health, substance abuse, mental health and related programs and services in such facilities under the Tribal Law and Order Act, Violence Against Women Act and related Federal laws.
- Support an additional \$1 million above the President's request for the Bureau of Land Management to fund Tribal cultural activities and to protect cultural sites and resources important to the Tribes under the Owyhee Public Land Management provisions of the Omnibus Public Land Management Act, Public Law 111-11, and support the President's fiscal year 2014 budget request to fund our Water Settlement (\$12 million) under the same act.
- Support an increase to Contract Support Costs (CSC) funding within the IHS budget of \$140 million above the President's request.
- Oppose the administration's unilateral proposal to cut off our contract support cost rights under the Indian Self-Determination Act (ISDA)—rights we currently hold in common with every other government contractor in America.

The Duck Valley Indian Reservation is a large, remote and rural reservation that straddles the Idaho-Nevada border along the east fork of the Owyhee River. The Reservation encompasses 450 square miles in Elko County, Nevada and Owyhee County, Idaho. More than 1,700 tribal members, out of 2,000 enrolled members, reside on the Reservation. Tribal members make their living as farmers and ranchers, though many are employed by the tribes. Since the mid-1990s, we have contracted the duties of Bureau of Indian Affairs (BIA) and Indian Health Service (IHS) under Self-Governance compacts that we negotiated under the ISDA. We also carry out other Federal programs on behalf of HUD and the Federal Highway Administration.

We owe it to our members to provide them with a safe community with adequate programs, services and facilities to meet their needs. We are quite different from other communities as we do not have nearby localities to shore up services and programs when Federal appropriations are cut. The obligations of the United States to

the Nation's federally recognized Indian tribes are not discretionary acts by the United States; these obligations are a direct product of the trust responsibility arising from our treaties, as well as statutes, Executive orders, and Federal court decisions that protect and strengthen tribal governments and our members.

*Sequestration.*—I am very concerned about sequestration because it dishonors the Federal trust responsibility. This year, Indian tribes are taking a hard hit. Our federally funded programs—which do not have enough money to begin with—are hit with a 5 percent sequestration cut. This is money we cannot replace. We do not have a tax base, and when our ISDA monies are cut, we lose other matching funds and third party collections. If Congress does not replace sequestration by October 1, 2013, larger cuts will wipe out the President's proposed fiscal year 2014 funding increases, and drop our funding levels below fiscal year 2012 levels. Already we see the early retirement of many Federal agency personnel who are not being replaced. How does the Federal Government honor the trust responsibility when no one answers the phone or returns an email?

*Fund the Owyhee Initiative.*—The Owyhee Initiative is a joint effort by ranchers, recreationalists, county and State officials, and the Shoshone-Paiute Tribes to protect, manage and appropriately use Bureau of Land Management (BLM) administered lands in Owyhee County, Idaho by designating the lands Wilderness Areas and the waters Wild and Scenic Rivers. In 2009, Congress passed the Omnibus Public Land Management Act of 2009, Public Law 111–11. Our subtitle of that act is the Owyhee Public Land Management (sections 1501–1508); another is our Water Settlement (sections 10801–10809). We are about to exhaust nonrecurring funding and require \$1 million to support important cultural resource protection activities.

One of the objectives of the Owyhee Initiative is to allow the Tribes to protect cultural and religious sites located on BLM lands in Owyhee County through coordination with BLM and county officials, and to permit the Tribes to gather native plants for food or ceremony and to hunt and fish on these lands as we once did. Section 1506 of the Omnibus Act requires the Secretary of the Interior to coordinate with the Shoshone-Paiute Tribes to implement our Cultural Resources Protection Plan, and to enter into agreements with us to “protect cultural sites and resources important to the continuation of the traditions and beliefs of the Tribes,” and to share in the management of cultural resources. Section 1508 authorizes such sums “as are necessary.” With \$250,000 in non-recurring funding that we received from BLM in 2010, and an additional \$500,000 in non-recurring funding, we purchased equipment (pickup trucks, an ATV, a UTV and two airplanes, a Cessna 150 (2-seater trainer) and a Cessna 182 (4-seater), which we hanger outside Boise, to patrol the wilderness lands and notify BLM when we see activities near sacred sites. We hired a Chief Tribal Ranger (the former Owyhee County Sheriff) and Tribal Cultural Director. Owyhee County and Owyhee Initiative officials support our efforts. Due to lack of funds, our activities have been severely curtailed.

It was Terry's wish to fund a Reserve Ranger Program for Tribal youth this summer, so that Tribal youth could experience the wilderness areas, be educated about the importance of these lands to the Tribes, let them gather native plants for ceremonies, and enhance their understanding and appreciation of the Shoshone-Paiute people, our traditions and culture. In his last visit here, he asked for help to fund the Youth Ranger Program with fiscal year 2013 funds. The fiscal year 2014 budget includes a \$1.5 million increase in the Wildlife Management Program and \$1.3 million increase in the Soil, Water, and Air Management to support BLM's Youth in the Great Outdoors program. The Reserve Ranger Program was Terry's way to help Tribal youth connect to their roots. Please support additional funding to appropriate programs within the BLM, BIA and Fish and Wildlife budgets to support Shoshone-Paiute cultural programs and activities under the Owyhee Initiative and make Terry's wish come true.

*Duck Valley Juvenile Services Center and Tribal Headquarters.*—Infrastructure is in short supply on the Duck Valley Reservation. Due to a black mold infestation, we must replace our Tribal government buildings at a total estimated cost of \$15 million–\$16 million (2012 dollars). We now work out of trailers. To make the project affordable, we have divided the project into six phases. We are also renovating the Duck Valley Juvenile Services Center, a secure detention and treatment facility, our first youth detention/treatment facility on the Reservation. We were selected by the BIA this year to participate in a pilot project to design and implement best practices to deliver appropriate services to incarcerated Tribal adults and juveniles. However, both program and construction funds are inadequate. We need help to finance construction to build infrastructure on the Duck Valley Reservation. We oppose the President's cuts and ask for increases for BIA Construction (cut \$17 million), Federal loans/guarantees, and IHS Mental Health (\$80 million), Alcohol and Substances Abuse (\$196 million) and Purchased/Referred Care programs.



As for construction, very few projects in Indian Country can be built or reconstructed with only BIA or IHS construction funds alone. And when they are built, and certificates of occupancy issued, it is critical that staffing, operation and maintenance funds be available to us so that the facilities open and do not sit idle. It is therefore critical that Congress increase funding in the fiscal year 2014 budget for the BIA's Public Safety and Justice, Human Services, Education, Indian Guaranteed Loan and Construction accounts, and IHS and other DHHS programs to ensure that agency funds are available to permit Indian tribes to deliver all required program services in a comprehensive manner. This is especially important for juvenile facilities.

We are 140 miles south of Boise, Idaho, and 98 miles north of Elko, Nevada. Poverty and unemployment are widespread. As a result, some of our members struggle with alcohol and substance abuse, including our youth. For over a decade, it has been our goal to construct a secure juvenile detention and treatment service center on our Reservation, rather than having our young members sent hundreds of miles to non-Indian detention facilities, far from home, family and culturally appropriate treatment. These transports also remove BIA law enforcement officers from the Reservation, which contributes to crime and delayed response times.

Next month, we will put out to bid the renovation of our existing Duck Valley Juvenile Services Center. When built, it will provide a modern and safe 19-bed youth detention and treatment facility so that Tribal youth can be housed on the Reservation. But Federal funding is inadequate to help coordinate Tribal, BIA, BIE, IHS, Justice Department and DHHS's Substance Abuse and Mental Health Services Administration (SAMHSA) stakeholders, and to implement these programs for adult and youth offenders. Secretarial-level Memoranda of Agreements between Justice, IHS and BIA will not work at the project level when there are insufficient funds appropriated to the agencies and Tribes to deliver well-coordinated programs and services.

IHS personnel have not been sufficiently engaged to coordinate substance abuse, mental health and related health services for incarcerated adult and youth offenders. SAMHSA officials are taking a lead with BIA Law Enforcement officials, but a scheduled meeting on the Reservation was postponed due to sequestration cuts. We need additional health resources to recruit, hire and house substance abuse and mental health counselors to treat Tribal youth when the detention facility opens, as well as to house detention and law enforcement personnel. Only by pooling available resources in a coordinated manner can we halt and treat the behavioral issues that contribute to the cycles of substance abuse, crime and recidivism on our Reservation.

We support the President's proposed increases of \$17.8 million for Public Safety and Justice, including \$13.4 million to staff newly constructed detention facilities; we oppose \$10 million cuts to the Human Services and construction budgets, which could fund more domestic and child abuse programs, especially with enactment of VAWA. We oppose the elimination of the BIA HIP Program (\$12 million cut) as housing is in short supply on the Reservation.

*Contract Support Costs.*—This subcommittee understands the importance of CSC to tribal governments. The President's budget for fiscal year 2014 again provides far too little for CSC funding for IHS. By not paying the full CSC amount, IHS forces us to cut program services or cut staffing to pay our fixed administration costs. This only penalizes the people we serve. At last count, we were underpaid over \$600,000 in CSC funding—a huge sum in lost health care in our small community.

The IHS (and the BIA) would compound the problem for fiscal year 2014. First, IHS has requested only \$477 million when it admits it needs at least \$617 million to honor all contracts. Second, the IHS and BIA propose to individually cap fiscal year 2014 payments of each tribe, meaning we would lose all the damage claims we have under existing law for the underpayments. This irresponsible and radical idea was developed in secret and without any prior tribal consultation whatsoever. We have already accumulated \$3,154,312 in past losses, following the \$4 million settlement of our original claims in the *Cherokee-Shoshone-Paiute* Supreme Court 2005 litigation; why in the world would we agree to allow the Government to repeat past travesties?

Over a decade ago, I walked the halls of Congress to increase CSC funding for Indian tribes. We were among the first to file suit against the United States. We won in the Supreme Court, with a ruling that our self-governance compacts are every bit as solid as any other Government contract. It is bad enough that tribal contractors are the only Government contractors that are regularly underpaid; it would add grave insult to that injury to now cut off all recourse in the courts—especially if the only reason is that we are Indians. This administration is bound by its obligations to consult with Indian tribes before making policy changes that impact

tribes. This subcommittee should oppose the administration's unilateral CSC proposal and insist that the BIA and IHS consult with Indian tribes first before changing in any manner the means by which CSC funds are paid to tribes. Thank you.

PREPARED STATEMENT OF THE STANDING ROCK SIOUX TRIBE

On behalf of the Standing Rock Sioux Tribe, I submit testimony concerning the President's fiscal year 2014 budget for the American Indian/Alaska Native programs within the Department of the Interior and Indian Health Service. I would like to express our appreciation to this subcommittee for its support of Indian tribes and to focus my remarks on public safety, education, housing, healthcare, and infrastructure.

The Standing Rock Sioux Reservation encompasses 2.3 million acres in North and South Dakota. The Reservation's population—approximately 8,500 tribal members and 2,000 nonmembers—reside in eight districts, and in smaller communities. The Tribe's primary industries are cattle ranching and farming. The Tribe struggles to provide essential governmental services to our members. When the Tribe ceded millions of acres of land to the United States, the Government promised to provide us with the means to sustain ourselves on our Reservation. The Tribe strives to provide jobs and improve the standard of living on our Reservation. We operate two modest Tribal casinos; Rock Industries, a small parts-on-demand operation; Standing Rock Propane; Standing Rock Telecommunications; and a sand and gravel operation, which helps the Tribe supplement services and programs for our members. Despite these measures, our unemployment rate remains above 50 percent. In fact, more than 40 percent of Indian families on our Reservation live in poverty—more than triple the average U.S. poverty rate of 13.8 percent. The disparity is worse for children, as 52 percent of the Reservation population under age 18 lives below poverty, compared to 16 percent and 19 percent in North and South Dakota, respectively. The Federal programs established to aid tribes and their members are essential. We ask the Government to honor its commitments by maintaining Federal programs enacted for our benefit, so that our members may live at a standard equal to that enjoyed by the rest of the Nation. Our specific recommendations are as follows:

*BIA—Public Safety and Justice.*—We strongly support the President's proposal to increase funding for Public Safety and Justice by \$17 million above the 2012 enacted level, and urge Congress to increase appropriations by at least that amount. Increased funding is needed to hire more law enforcement officers and to staff detention facilities. Standing Rock has seen first-hand that adequate law enforcement staffing is the key to reducing crime.

Before 2008 at Standing Rock, there were only seven law enforcement officers to cover the Reservation (an area close to the size of Connecticut), and crime was rampant. Crime decreased as a result of BIA's Operation Dakota Peacekeeper initiative which, in 2008, added 20 law enforcement officers on the Reservation. When that initiative ended, the number of supplemental officers assisting the permanent law enforcement officers was reduced and crime increased. Fortunately, Standing Rock is one of the few Indian reservations where the High Prior Performance Goals initiative (HPPG) has been implemented. In 2009, when HPPG started, the then 12 permanent law enforcement positions were gradually supplemented by an additional 22 positions. These 34 positions currently consist of a Chief of Police, 3–4 Lieutenants, 3 Criminal Investigators/Special Agents, 2 School Resource Officers and 24 police officers.

Although not all 34 positions are filled at all times (due to turnover and training leave), the increase in law enforcement has had a significant positive impact. It facilitated police officer assignment to each Reservation community, which means quicker response time to calls. The increased law enforcement presence and patrols has deterred crime and resulted in our members feeling safer. The data confirms this. When compared to the number of violent crimes (homicide, rape, robbery, assault) that occurred between 2007 and 2009, the additional staffing reduced such crimes by approximately: 7 percent in 2010, 11 percent in 2011, and 15–19 percent in 2012.

These initiatives demonstrate the critical importance of adequate law enforcement staffing. But HPPG is presently scheduled to end after fiscal year 2013. More than 3,000 arrests were made during the 2012 calendar year. Data this year demonstrates that Reservation law enforcement continue to receive more than 900 calls for assistance each month. While the Tribe is fortunate to have 34 law enforcement positions for the Reservation, an analysis of the number of officers needed to provide effective 24-hour coverage indicates there should be more. At current staffing levels, officers typically work 12-hour shifts, 5 days a week, leading to officer burn-out and

increased costs for overtime. Only proper staffing levels will ensure the safety of our communities and officers. We urge Congress to increase funding for law enforcement personnel.

Funding is also essential for law enforcement equipment and facilities maintenance. In December 2010, the Tribe successfully completed construction of a secure 18-bed juvenile detention facility on our Reservation so that Tribal youth offenders may remain on the Reservation and receive culturally appropriate services while incarcerated. The Tribe contributed \$2 million of Tribal funds to supplement \$5 million in Justice Department funds to build this facility. Over time this facility will save the BIA a great deal of money that now pays other public authorities to house our youth offenders. Unfortunately, while the BIA, in January 2011 and many times thereafter, advised the Tribe that the facility was to be among those BIA-operated facilities to receive operation and maintenance funding, BIA delays have meant that, to date, the facility is not operational and has received no maintenance funds. As a result, problems have surfaced. Various systems in the building require repair but warranties have expired. The Tribe is taking active steps to remedy these matters using Tribal resources. Once these matters are cured, the BIA must act promptly to assume operation of the facility and secure a share of the operation and maintenance (O&M) funds needed to pay for utilities and routine maintenance. Adequate levels of O&M funding are essential to safely house our youth and safeguard the Tribe's and Federal Government's investment in this facility.

*BIA—Tribal Courts.*—We urge Congress to increase the modest funding appropriated for the Tribal Courts Program. Our Tribe cannot effectively carry out criminal proceedings, let alone civil cases, with our small BIA allocation, even when heavily subsidized by the Tribe. Our Tribal courts are crowded, cramped and outdated and limit our ability to administer a comprehensive criminal justice system on the Reservation.

*Bureau of Indian Education (BIE).*—We urge Congress to increase fiscal year 2014 funding for BIE programs. As President Obama has stated, education is the key to ending the cycle of poverty and lower wages. Despite this, the administration's fiscal year 2014 budget would hold constant or otherwise cut funding for programs that are critical to the education of our youth.

Standing Rock relies on BIE funding for three Tribal grant schools—the Standing Rock Community School (K–12), Sitting Bull School (K–8), and Rock Creek School (K–8). The Standing Rock Community School is jointly operated by the Tribe and a State entity, Fort Yates Public School District, which, like other public schools on the Reservation (Cannonball, Selfridge, McLaughlin, McIntosh, and Wakpala), depends on Federal impact aid to cover the costs of the public school's share of the school operations. The children in the schools on the Reservation are among the most at-risk students in the Nation. At the Rock Creek, Cannonball, Selfridge, and Wapala schools, 100 percent of the students receive free or reduced price school lunches because their families live at or below poverty. At other schools, the percentage of children receiving free or reduced price lunch is comparable—Sitting Bull, 98 percent; McLaughlin, 85 percent; Fort Yates, 80 percent; Standing Rock, 80 percent.

A critical source of funds for the operation of our Tribal grant schools are the Indian School Equalization Program (ISEP) Formula funds. They cover salaries for teachers, teacher aides, school administrative staff and other operational costs. ISEP has not seen any meaningful increase in years, and as a result, it has become more difficult to attract and retain qualified staff. Despite the clear need, the administration proposes to cut ISEP funding by \$16.4 million, apparently to offset the cost of a new pilot program. We do not object to a new pilot program, but no such program should be created at the expense of existing needs. If the schools serving Indian children are to be effective, ISEP funding should be increased.

The administration's near flat line funding for virtually all aspects of BIE programs does not account for population growth, increased costs, or inflation. Student Transportation funding, intended to cover the costs of buses, fuel, maintenance, vehicle replacements, and drivers, has stayed at the same level for years. The substantial increases in fuel costs alone make it impossible to cover these costs. For Standing Rock, funds are further strained because we are a rural community, where bus runs for many of our students may take 1½ to 2 hours each way and can include travel on unimproved roads. These factors result in higher maintenance costs and shorter vehicle life. A substantial increase in funds for Student Transportation is long overdue.

The same is true for School Facility Operations and School Facility Maintenance which is nowhere near fully funded. In fact, O&M budgets are currently constrained at 40 percent. With the constraint and the cuts resulting from sequestration, it will be impossible for the schools to operate. We also urge Congress to increase, or at

least maintain funding for Education Construction and reject the administration's proposal to cut Education Construction funding by \$18 million. While the administration claims this will allow it to eliminate replacement school funding and redirect funds to Minor Improvement and Repair (MI&R) programs, its budget contains no comparable increase to MI&R. Without adequate funds for maintenance or facilities repair our schools will deteriorate and pose serious safety risks for our children. Indeed, part of one of our Tribal grant schools, the Rock Creek School, is more than 100 years old and badly needs to be replaced. Federal funds to replace ancient schools—like Rock Creek—are essential. Funding for School Facility Operations and School Facility Maintenance, as well as Education Construction should be substantially increased.

We also urge Congress to increase funding for Scholarships. Because of the unmet need, the Tribe spends \$1 million in Tribal funds annually to supplement this program and gives grants of \$3,000–\$3,500 to aid our students attending colleges and vocational schools. But even with this, most of our scholarship recipients have unmet financial need varying from \$100 to \$17,000.

*BIA HIP (Housing Improvement Program).*—The Tribe opposes the administration's proposal to completely eliminate funding for HIP. HIP has long played a very important role in providing funds to low income persons who have emergency or other specific needs to make home repairs. While the administration states that Tribes can use HUD NAHASDA funds to cover these costs, our Tribal members' needs for safe and affordable housing are staggering. Even with both HUD and HIP, there are now more than 200 families on the waiting list for housing, 150 families living in overcrowded conditions, and another 300 families in substandard housing.

*Indian Health Service.*—We support the administration's fiscal year 2014 requested increase in IHS funding. We depend on IHS to care for our 15,500 enrolled tribal members, many of whom suffer from diabetes, heart disease and hypertension. With 5 percent cuts due to sequestration, and 2 percent decrease in Medicare reimbursement, we estimate there will be at least \$800,000 in unmet need in fiscal year 2013. Unmet need will be more severe if sequestration recurs in fiscal year 2014.

We recommend the subcommittee prioritize the IHS preventive healthcare service programs, such as the diabetes grant program, and increase funding for these programs above the administration's \$150 million, while supporting and protecting the administration's other IHS funding priorities, especially funding for healthcare personnel. In many instances, if additional funding for clinical services and preventive health programs can be made available, illnesses and injuries could be treated at their initial stages, or prevented altogether. This is especially important at Standing Rock, where many of our members' health problems could be addressed if timely preventive care were available. We also support the administration's request for increases in Dental Health (as there is considerable need for dental care) and Purchased/Referred Care (previously known as Contract Health Services), which has been historically underfunded.

*Infrastructure.*—Infrastructure, like safe drinking water, utilities, and well-maintained roads are essential to the well-being of our people. But the primary funding source for road maintenance, the BIA's Road Maintenance Program, has for the last 30 years, been funded at only \$25 million, making it impossible to carry out routine, much less, emergency road maintenance. We urge Congress to reject the administration's current proposal to again cut funding for this program.

Equally vital is safe drinking water. Congress authorized the Standing Rock Sioux Tribe's municipal, rural, and industrial (MR&I) water system by the Garrison Diversion Unit Reformulation Act of 1986 and the Dakota Water Resources Act of 2000. Substantial progress has been made on the project: construction is nearly complete for core facilities including a deep water intake and pump station, 13 miles of raw water transmission pipeline, a main storage reservoir, a state-of-the-art water treatment plant, and 49 miles of main transmission treated water pipelines. Three treated water pipeline contracts approach the bidding stage. When completed, they will connect the Reservation's existing water infrastructure to the new facilities so that more than 75 percent of the Reservation population will receive clean drinking water. However, further pipeline construction, including to residents currently without treated water supply, is in jeopardy due to the recent dramatic cuts in appropriations. Proposed future appropriations levels threaten to completely stop construction on the project leaving a significant portion of the Reservation's residents without access to safe, clean, dependable drinking water. We respectfully request Congress restore funding the Dakota Water Resources Act to fiscal year 2010 levels to allow completion of this critical project within a reasonable time.

## PREPARED STATEMENT OF THE SEISMOLOGICAL SOCIETY OF AMERICA

I thank you for this opportunity to provide the subcommittee with the testimony on behalf of the Seismological Society of America (SSA). SSA is an international scientific society devoted to the advancement of seismology and the understanding of earthquakes for the benefit of society. Founded in 1906, SSA is the largest and most respected society of seismologists in the world and is an unbiased source of reliable information for any governmental agency or official seeking sound scientific advice.

We ask the subcommittee to continue to support and sustain the critical geoscience work underway at the United States Geological Survey (USGS), within the Department of the Interior. In the Interior, Environment, and Related Agencies Appropriations bill now under consideration by this subcommittee, we ask for \$1.2 billion for USGS, to support their total mission area needs, including \$57.924 million for the Earthquake Hazards Program, \$24.698 million for the Volcano Hazards Program and \$3.693 million for the Landslide Hazards Program. These levels are much lower than those recommended by the National Academy of Science in 2011, and represent a minimum appropriation needed to prevent significant degradation of our national earthquake program in the coming year.

Earthquakes are a threat to national security. They can cause tremendous damage to critical infrastructure, hindering vital Government services and operations, inhibiting the flow of goods and services, and impacting interstate commerce. They cause loss of life and property. Currently 75 million Americans in 39 States face a significant earthquake risk. But all Americans would bear economic consequences resulting from a major destructive earthquake occurring anywhere in the country.

Although earthquakes occur less frequently in the Eastern United States than in some other parts of the Nation, studies show that when these earthquakes occur, urban areas in the East could face devastating losses because severe shaking would affect a larger area than a similar earthquake in the Western United States. Most structures in the Eastern United States are not designed to resist earthquakes and residents are not as well prepared for earthquakes as communities in the West.

In Alaska and the Pacific Northwest, along with Hawaii, Puerto Rico, and the U.S. Virgin Islands, the effects of a destructive earthquake can extend well beyond local impact by potentially creating far-reaching tsunamis that impact low-lying coastal communities or have subsequent ground shaking that creates landslides which results in economic losses that could exceed any that have occurred from previous earthquakes or tsunamis.

USGS provides the research, monitoring, and assessment that are critically needed to better understand and respond to natural hazards, and to build national economic, political, and general resilience. USGS provides information products for earthquake loss reduction, including rapid post-event impact evaluations, national hazard and risk assessments, comprehensive real-time earthquake monitoring, and public outreach. Virtually every American citizen and every Federal, State, and local agency benefits either directly or indirectly from the products and services provided by the USGS. A wide variety of industries rely on USGS for assessments and data to reduce their costs and risks and to help them develop their own products and services.

“National Earthquake Resilience: Research, Implementation, and Outreach,” published by the National Academy of Sciences in 2011, compiled cost estimates for 18 separate tasks in a program to achieve resilience. The Earthquake Hazards Program is uniquely well-suited to executing several of these tasks, including completion and operation of the Advanced National Seismic System, development of Earthquake Early Warning, and creation of a National Seismic Hazard model. In addition, the Program can make critical contributions many of the other tasks, including Physics of Earthquake Processes, Operational Earthquake Forecasting, and Earthquake Scenarios. Seismologists understand that even these few tasks cannot be fully funded this year. Nevertheless, more than doubling funding for the Earthquake Hazards Program progressively over the next 5 years and then sustaining a high level of effort for 20 years would facilitate a well defined program that can return benefits to the Nation outweighing the costs many times over.

Thank you for the opportunity to present this testimony to the subcommittee.

## PREPARED STATEMENT OF THE SEMINOLE TRIBE OF FLORIDA

The Seminole Tribe of Florida submits these comments on the administration's proposed fiscal year 2014 budget for the Indian Health Service (IHS) and the Bureau of Indian Affairs (BIA), with focus on the proposal regarding contract support costs (CSC). Specifically, we request:

- Rejection by Congress of the administration’s proposed BIA and IHS contractor-by-contractor caps on contract support costs.
- Full funding of IHS contract support costs, estimated to be \$617 million, or \$140 million above the administration’s proposed cap.
- Full funding of BIA contract support costs, estimated to be \$242 million, or \$12 million above the administration’s proposed cap.
- Protect the IHS budget from sequestration.

#### REJECT THE CONTRACT SUPPORT COSTS PROPOSAL

Indian tribes nationwide were taken aback by the administration’s fiscal year 2014 proposal to statutorily cap every individual tribe’s payment of CSC (for both the IHS and the BIA payments). The clear intent of this proposal is to limit the Federal Government’s liability for tribal recovery of CSC shortfalls through Contract Dispute Act claims in court. The individual tribal caps would be imposed by tables created by the agencies and incorporated by reference into the appropriations act. The proposal, which the administration describes as a “short term” plan, is in reaction to the Supreme Court decision in *Salazar v. Ramah Navajo Chapter* which said that contract support costs should be paid in full.

Since the administration’s proposed budget was released in April, the House Subcommittee on Interior, Environment and Related Agencies and the Senate Committee on Indian Affairs have had budget hearings at which there was testimony from many tribal leaders strongly critical of the substance of the CSC proposal and of the lack of tribal consultation on this matter.

The administration is not retreating from its proposal, as evidenced by a Department of the Interior (DOI) official’s comment at a May 8 hearing of the Senate Interior, Environment, and Related Agencies Appropriations Subcommittee that we need to solve the “problem” of contract support costs. The problem is not the *Ramah* decision, it is the Federal Government’s view that obligations to tribal contractors, unlike other Government contractors, are just a budget line item and need not be paid in full.

#### FULLY FUND IHS AND BIA CONTRACT SUPPORT COSTS

The authority afforded tribal governments under the Indian Self-Determination and Education Assistance Act to flexibly design and operate programs in place of the Federal Government has proved to be a great success. More than half of the IHS budget is now allocated to tribes through Self-Determination agreements; the figure for (DOI) Indian Affairs is 65 percent. Every tribe in the Nation has at least one self-determination agreement. At the heart of the implementation of the Self-Determination Act is whether tribes have the resources to cover the administrative and overhead portions of the programs that would otherwise be borne by the Federal Government. Tribes have had to utilize program funds when contract support funds are inadequate or scale back their planned services to tribal members. We thank the Interior Appropriations subcommittees and Congress for increases in recent years for CSC—it has made a positive difference—and now ask that the job be completed with full funding for contract support costs: \$617 million for IHS and \$242 million for BIA.

We also point out that the IHS and BIA budgets are not, especially in recent years, receiving funding for built-in costs—pay increases, inflation, and population growth. This, along with underfunding of CSC, puts a real strain on tribal government services.

#### PROTECT THE INDIAN HEALTH SERVICE FROM SEQUESTRATION

The fiscal year 2013 sequestration resulted in a \$220 million cut in funding to the IHS for fiscal year 2013—roughly 5 percent of the IHS’s overall budget which is concentrated in the last half of the fiscal year. IHS lost \$195 million for programs including hospitals and health clinics services, contract health services, dental services, mental health and alcohol and substance abuse services. Programs and projects necessary for maintenance and improvement of health facilities felt these same impacts. These consequences are then passed down to every Indian Self-Determination Act contractor.

The fiscal year 2014 budget proposal for IHS would not restore the sequestration. Of the \$124 million increase proposed for the IHS, most of it is for staffing of new facilities and inflation for the Purchase/Referred Care (formerly Contract Health Services). These are necessary increases but they do not constitute a general increase for tribal or IHS health programs.

We cannot understand why the U.S. trust responsibility for the health of American Indian and Alaska Native people was taken less seriously than the Nation’s

promises to provide healthcare to our veterans. The Veterans Health Administration (VA) was fully exempt from the sequester for all programs administered by the VA. See § 255 of the Balanced Budget and Emergency Deficit Control Act (BBEDCA), as amended by Public Law 111-139 (2010). Also exempt are State Medicaid grants, and Medicare payments are held harmless except for a 2 percent reduction for administration of the program. Yet the IHS was subject to the full cut. We thus strongly urge the Appropriations Committees to support amendment of the BBEDCA to fully exempt the IHS from any sequestration procedures, just as the VAs and other health programs are exempt. We recognize that the President's proposed budget is designed to eliminate future sequestrations, but Congress will work its will on that proposal, so we seek an amendment to exempt the IHS from sequestration.

#### CONCLUSION

Ensuring full funding of tribal programs at the Bureau of Indian Affairs and the Indian Health Service is important not only to tribes, but to the communities around them. We recognize the economic hardships facing the country, but remind Congress that funding our programs enables us to create more jobs for Indians, non-Indians, tribal members, and neighbors alike. This helps our national economy grow from the ground up. Accordingly, we urge you to honor our requests to fully fund Indian programs in fiscal year 2014.

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#### PREPARED STATEMENT OF THE SKOKOMISH TRIBE OF WASHINGTON STATE

I am Joseph Pavel, Vice Chairman of the Skokomish Tribe of Washington State. I would like to thank the subcommittee for the opportunity to present testimony on the fiscal year 2014 appropriations for American Indian/Alaska Native programs within the Interior Department, Indian Health Service and Environmental Protection Agency. The Skokomish Indian Tribe is responsible for providing essential governmental services to the residents of the Skokomish Indian Reservation, a rural community located at the base of the Olympic Peninsula with a population of more than 2,000 people, including approximately 700 Tribal members. The Tribe provides services through various departments—Tribal Administration, Community Development, Information Services, Early Childhood Education (including Head Start), Education, Health Clinic, Housing, Legal, Natural Resources, Public Safety, Public Works, and Tuwaduq Family Services. The Tribal government also works closely with community members to identify needs and prioritize services. Adequate Federal funds are critical to the Tribe's ability to address the extensive unmet needs of our community.

#### BUREAU OF INDIAN AFFAIRS

*Law Enforcement.*—We support the President's proposal to increase funding for BIA Public Safety and Justice Programs. The Skokomish Department of Public Safety (SDPS) provides 24/7 law enforcement services for the Tribe. SDPS is responsible for patrolling and enforcing justice both within the Tribe's 5,300-acre Reservation, and throughout the Tribe's 2.2-million-acre Treaty area where the Tribe has Treaty-protected hunting, fishing and gathering rights. SDPS currently has a Chief of Police, seven full-time officers, and one part-time officer. Despite SDPS's best efforts, it cannot meet all of its responsibilities unless staffing is increased.

Officers respond to all manner of calls for police services including a wide range of felonies and misdemeanors. They patrol both land and water in Hood Canal Basin, enforcing Tribal laws, treaty rights, court orders, and Federal and State statutes. Staff is stretched thin. In addition to its primary responsibilities in patrolling the Reservation and the usual and accustomed areas where Tribal members make their living fishing and hunting, the SDPS performs other necessary duties. For example, the SDPS officers (who are cross-deputized) assist the Mason County Sheriff's Office and the Washington State Patrol. The SDPS is also tasked with first response in the event of a natural disaster or emergency management situation.

But with only four officers available for day-to-day patrol duties, individual officers often work alone. Understaffing exposes both the community members in need of assistance and SDPS officers to undue danger. Unfortunately, this is SDPS's reality. To meet mandated responsibilities, staffing must be increased. Vacancies due to illness, training and other leave force the Chief of Police to handle patrol duties. Budget limitations severely restrict overtime. Often gaps in shift coverage go unfilled relying on an "On Call" response. This gravely increases the risk to the safety of the community and creates service gaps affording opportunities for increased

criminal activity. A memorandum of understanding with the Mason County Sheriff's Office helps to fill some of these gaps on an as-needed basis. However, the costs are significant and there are times when a Deputy simply is not available.

The SDPS strives to get the most from every dollar spent and is constantly working to improve in every aspect. An outdated Records Management System (RMS) was recently replaced. The new RMS will provide more succinct statistical crime data and will be instrumental in the proactive deployment of SDPS personnel. A new community policing plan is also in place, as well as a new training plan. But because of limited funds, progress is slow.

Today, the Skokomish Reservation faces many of the same issues as other communities. Domestic violence and substance abuse critically impact the Tribe. The Skokomish Tribe also hosts visitors from the surrounding communities as well as a large tourist trade. This is the avenue through which narcotics are brought into the Reservation. With the drug trade comes many other associated undesirable issues—theft, burglary and poaching, to name a few. There is a sense of helplessness in the community, resulting in crimes often going unreported. SDPS does not have the resources to effectively stem the tide of this illicit activity.

In order for the Skokomish Tribe to ensure safety, service and protection of the community, an immediate and dramatic increase in staff is needed. To properly carry out its responsibilities SDPS needs another seven officers. Dedicated resources for investigations, community policing and crime prevention alone require a minimum of three additional officers. The Tribe simply cannot provide these resources so necessary for the protection of our community without the additional funding assistance of the Federal Government.

*Tribal Court.*—The Skokomish judiciary handles a high volume of cases relative to our community's population. The Court currently has more than 262 open criminal, civil, and family court cases. The Skokomish Tribal Court is in the midst of a major restructuring project as a result of the Tribe's unwavering commitment to providing meaningful access to justice for all of its community members. Specifically, the Tribe has recently begun providing public defense services to its Tribal members who are facing criminal charges. In addition, the Tribe has recently recruited a new prosecutor, probation officer, and a pool of Tribal Court judges who are actively working to encourage alternatives to incarceration, while reducing criminal recidivism.

We support the President's proposal to increase funding for Tribal Courts, but the increase proposed is not enough. To protect the Tribes from the adverse impacts of sequestration and the demands on our courts, we respectfully request that Congress increase funding substantially so that the Tribal Court in cooperation with the Public Safety Department can continue its momentum in improving our judiciary to reflect the needs and values of the Skokomish community. This includes fully implementing the Tribe's retrocession from Public Law 280, consistent with the standards for implementation of the Tribal Law and Order Act of 2010, and ensuring that our most vulnerable community members are fully protected through proper implementation of the newly amended Violence Against Women Act.

*Natural Resources.*—We strongly support the President's proposal to increase funding for Trust-Natural Resources Management programs by \$34.4 million more than fiscal year 2012 levels. Increased funding to foster sustainable stewardship and development of natural resources and support fishing, hunting and gathering rights on and off-reservation, is essential to our people who depend on natural resources for their livelihood.

For example, the Pacific Salmon Treaty grant supports the Tribe's federally mandated salmon sampling program. Throughout the entire salmon season, and to ensure proper management of the resources, we must collect scale and coded-wire tag samples from Chinook and Coho, and scale samples from Chum on 20 percent of our catch. This information is used to determine run size and allows fisheries managers to properly structure the fisheries. Current funding levels have been sufficient to achieve this goal; however, with sequestration, we are facing cuts in fiscal year 2013. Without proper funding for this program, it will become very difficult, if not impossible, for the Tribe to ensure the safety of ESA-listed salmon which may result in a loss of a Treaty-reserved resource and our members' ability to support themselves from that resource. We urge Congress to increase the current level of funding for this vital program.

Hatchery cyclical maintenance funds are also invaluable for supporting the Federal Government's investment in Tribal hatcheries. Most Tribal hatcheries are underfunded and each year brings more decay to the facilities. Here too, adequate funding for hatchery maintenance is imperative to prevent these important pieces of the salmon restoration puzzle from crumbling away. Because of habitat destruction, the only reason we continue to have salmon for Treaty-harvest activities is the



operation of salmon hatcheries. Congress cannot allow the main pillar of this all important Treaty right to take a reduction in funding.

Five years ago the Tribe was able to cobble together a wildlife program consisting of one biologist and one technician. The program is partially funded by Timber, Fish, and Wildlife funds of about \$95,000; the Tribe supplements the program with an additional \$35,000. The Tribal program needs additional funding to staff three dedicated wildlife enforcement officers who will not only enforce the Tribe's regulations, but ensure that poaching of the Tribe's wildlife resources does not occur from outside entities who sometimes fail to recognize the Tribe's Treaty rights. Sequestration will make it all but impossible for us to continue to properly manage our resources. We request additional funds in the amount of \$240,000, so we will have stable funding for a complete wildlife program.

*Transportation.*—The Moving Ahead for Progress in the 21st Century (Map-21) bill was enacted in July 2012. The legislation requires that Federal grant funds be awarded through State DOTs. In the past, we had the option of receiving funding through the BIA as a 638 contract. We are finding with our two current Scenic Byways grants that going through the State DOT costs more and the projects take twice the amount of time to complete. The Tribe would like to see an amendment to Map-21 that reinstates our right to either directly receive funds or have the funds come through the BIA.

#### INDIAN HEALTH SERVICE

The Skokomish Tribe supports the President's proposal to increase funding for the Indian Health Service. We have a Tribally operated Ambulatory Health Center located in a relatively remote geographic area and continue to face financial barriers to the effective provision of healthcare services. Our Contract Health Service (CHS) funds are insufficient to meet needs and we urge that Federal funds be increased in light of the rising cost of healthcare and the serious health issues our patients face such as cancer, diabetes, and heart disease.

Among the problems are the increases we are seeing in oral health costs on the Reservation. Federal funding has not kept pace. Dental problems are common among low income households and drug users. In many instances, when dental problems are finally dealt with they require specialized dental care, which the Tribe lacks resources to provide. Further compounding the problem is if our CHS funding is spent, Tribal members without dental insurance are more likely to forego the necessary specialized dental care. Instead, we are seeing an increase of individuals with oral health issues seeking alternative relief through over-the-counter analgesics or visiting the emergency room of the local hospital. Since emergency rooms are not staffed for dental treatment, Tribal members are given narcotics to control their pain, but the need for treatment still remains. Poor oral health can lead to negative effects on general health. With an already stretched CHS budget here at Skokomish we are in need of funding to address the rise in negative healthcare costs.

The increase in oral healthcare problems further confirms the extensive ongoing health problems arising from substance abuse. Federal funds are needed not only for drug and alcohol treatment, but also to address the medical and dental needs that the addiction has caused.

In addition, related to mental health, we have identified a need for a youth mental health facility. While there are youth substance abuse treatment facilities, there are no facilities available to treat mental health issues for youth who do not have any substance abuse issues. We urge Congress to direct the IHS to report on its effort to develop a youth behavioral health facility to meet the growing mental health needs of our Native youth.

#### NATIONAL PARK SERVICE, TRIBAL HISTORIC PRESERVATION PROGRAMS

In 1995, Congress began encouraging Tribes to assume historic preservation responsibilities as part of self-determination. These programs conserve fragile places, objects and traditions crucial to Tribal culture, history and sovereignty. As was envisioned by Congress, more Tribes qualify for funding every year. Paradoxically, the more successful the program becomes, the less each Tribe receives to maintain professional services, ultimately crippling the programs. In fiscal year 2001, there were 27 THPOs with an average award of \$154,000. Currently there are 141 Tribes operating the program, each receiving less than \$51,000. We fully support the President's proposal to increase funding for the Historic Preservation Fund.

#### ENVIRONMENTAL PROTECTION AGENCY

EPA has long lacked sufficient funds for State and Tribal Assistance Grants (STAG). These funds provided grant money for a wastewater treatment plant. We

still need approximately \$12 million to fully build our core Reservation plant. The President's fiscal year 2014 budget would reduce funding for some STAG grants with small increases to others. We urge Congress to increase funding for these grants as that would be a tremendous benefit to the Tribes.

CONTRACT SUPPORT COSTS—BIA AND IHS

We are very concerned that the President's proposed budget would cap contract support costs for tribally contracted services with the BIA and IHS in this and future years. We urge Congress to fully fund all contract support costs and to resolve all outstanding BIA and IHS contract support costs claims.

CONCLUSION

The Tribe thanks the subcommittee for the opportunity to present testimony on these important issues.

PREPARED STATEMENT OF THE TANANA CHIEFS CONFERENCE

Members of the subcommittee, thank you for the honor of presenting this testimony.

My name is Julie Roberts and I am the Vice President of the Tanana Chiefs Conference and the President of Tanana Tribal Council. TCC is a nonprofit intertribal consortium of 39 federally recognized Tribes located in the interior of Alaska. TCC serves approximately 13,000 Native American people in Fairbanks and our rural villages. Our traditional territory and current services area occupy a mostly roadless area almost the size of Texas, stretching from Fairbanks clear up to the Brooks Range, and over to the Canadian border.

TCC is a co-signer of the Alaska Tribal Health Compact, awarded under title V of the Indian Self Determination Act. I will be testifying on two matters. First, I will provide an overview of the Joint Venture Construction Program and specifically address TCC's Joint Venture staffing needs. Second, I will explain the impact suffered by TCC and others from the contract support cost shortfall, and how that shortfall will have the most impact for those entities starting to operate replacement or joint venture facilities in fiscal year 2013.

TCC requires its full staffing package in fiscal year 2014, which is already 1 year past what was contractually agreed to in our Joint Venture Agreement.

The Joint Venture Construction Program is authorized in section 818(e) of the Indian Health Care Improvement Act, Public Law 94-437. The authorization directed the Secretary of HHS to make arrangements with Indian tribes to establish joint venture projects. The program is executed through a JVCP agreement—a contract—in which a tribal entity borrows non-IHS funds for the construction of a tribally owned healthcare facility, and, in exchange, the IHS promises to lease the facility, to equip the facility and to staff the facility.

In the conference report which accompanied the Department of the Interior, Environment, and Related Agencies Appropriation Act, 2010, the conferees explained the importance of the Joint Venture program. That program is a unique way of addressing the persistent backlog in IHS health facilities construction projects serving American Indians and Alaska Natives. The conferees reported, "The conferees believe that the joint venture program provides a cost-effective means to address this backlog and to increase access to healthcare services for American Indians and Alaska Natives. The conferees are aware that IHS is currently reviewing competitive applications from Tribes and Tribal organizations to participate in the 2010 joint venture program and encourage the Service to move forward with the process in an expeditious manner."

IHS followed the direction of Congress and the conference report. In 2010, IHS signed a legally binding Joint Venture Construction Agreement with TCC. In the agreement, IHS agreed to "request funding from Congress for fiscal year on the same basis as IHS requests funding for any other Facilities." Given that IHS has requested funding for the various JV projects across the country at different percentages and not in correlation to clinic opening dates, it appears that IHS has not requested funding on the same basis across all facilities.

TCC is deeply appreciative of the subcommittee's efforts to secure some fiscal year 2013 funding for joint venture projects, notwithstanding the general sequestration. We thank every member of this subcommittee for the remarkable accomplishment. At the same time, it is a fact that funding for our Joint Venture project in fiscal year 2013 will only be one-third of the total staffing package IHS owes TCC (or around \$10 million). TCC had to invest in new program staffing to be ready to open

our doors—including staffing for labs, radiology, facility maintenance and support—which does not include the additional clinical staffing that was added to meet the current demand. The additional staffing cost TCC approximately \$9 million. When added to the \$5.4 million bond payments and the \$600,000 in utility payments, TCC's total deficit is \$15 million this year. Even accounting for the \$10 million for TCC in this year's budget, we will still have \$5 million in operational deficit.

According to the agreement with IHS, TCC's staffing package funding should be \$29.4 million—requiring an increase of \$19.4 million above our fiscal year 2013 funding level. If the President's proposed \$77 million staffing increases for fiscal year 2014 are supported and applied to the fiscal year 2013 increases, this will make right the wrong TCC experienced. But if, as IHS indicates, they are above the fiscal year 2012 levels, they are woefully insufficient.

Last year IHS justified paying less because it believed we would not be able to staff up fast enough to spend the funds. But we have long been fully operational and the only barrier to hiring staff is IHS's failure to honor its commitment. This is clear from the fact that, in order to open our doors, TCC invested \$9 million in new staffing and several providers are currently interested in working for us.

IHS has written that our Joint Venture partnership is a model for what can be achieved between Tribal Health Organizations and IHS to improve access to care for American Indian and Alaska Native people. TCC is holding up our end of the Joint Venture agreement. We need IHS, and Congress, to hold up the Government's end. This will require \$19.4 million in fiscal year 2014. This will be 1 year late, but at least the commitment will finally be honored.

The administration's contract support cost request will worsen the national CSC shortfall and require further program cuts for Self-Determined Tribes; the burden will fall especially hard on Tribes operating recent new facilities.

Related to the Joint Venture Construction Program is our concern with IHS's requested funding for contract support costs. These costs are owed to Tribes and tribal organizations like TCC that perform contracts on behalf of the United States pursuant to the Indian Self-Determination Act. "Contract support costs" are the fixed and fully audited costs which we incur and must spend to operate IHS's programs and clinics. The law and our contracts say that these costs must be reimbursed. The Supreme Court, twice, has so ruled.

The Indian Self Determination Act depends upon a contracting mechanism to carry out its goal of transferring essential governmental functions from Federal agency administration to tribal government administration. To carry out that goal and meet contract requirements, the act requires that IHS fully reimburse every tribal contractor for the "contract support costs" that are necessary to carry out the contracted Federal activities. (Cost-reimbursable Government contracts similarly require reimbursement of "general and administrative" costs.)

Full payment of fixed contract support costs is essential: without it, offsetting program reductions must be made, vacancies cannot be filled, and services are reduced, all to make up for the shortfall. In short, a contract support cost shortfall is equivalent to a program cut.

Funding contract support costs in full permits the restoration of Indian country jobs that are cut when shortfalls occur. The fiscal year 2010 reduction in the contract support cost shortfall produced a stunning increase in Indian country jobs. Third-party revenues generated from these new positions will eventually more than double the number of restored positions, and thereby double the amount of healthcare tribal organizations like ours will provide in our communities.

The problem is that for 2014, IHS has requested only a \$5.8 million increase over fiscal year 2012 levels, up to \$477 million. Yet, the current shortfall is \$140 million, with a total projected \$617 million due all tribal contractors. At that, the IHS projected shortfall does not include contract support costs associated with facilities staffed up in fiscal year 2013 and fiscal year 2014. Against these numbers, a \$5.8 million increase is not just inadequate; it is shameful.

When contract support costs are not paid, we have no choice but to take the shortfall in funding out of the programs themselves. Letting the CSC shortfall increase, on top of underfunding TCC's JV staffing requirements, will end up punishing tens of thousands of Native beneficiaries in Alaska. The Government has a legal duty and trust responsibility to provide for the full staffing packages and the full contract support costs which the Government, by contract, has committed to pay. We are not expecting a favor; we are expecting the Government to hold up its end of the bargain.

It is not only illegal but immoral for IHS (and BIA, too) to structure their budgets in such a way that they cut only tribally administered IHS and BIA programs—not IHS-administered or BIA-administered programs, but only tribally administered programs—in order to meet the agencies' overall budget targets. The thousands of

Alaska Native patients and clients who we serve should not be punished because those services are administered under self-governance compacts instead of directly by IHS or the BIA.

As I mentioned last year, I am particularly concerned about this issue as we plan for fiscal year 2014. In fiscal year 2014 TCC projects an increased contract support cost requirement of \$6 million associated with the new clinic. As it is, remember that IHS has only committed to staff TCC's clinic at 85 percent of capacity. If none of TCC's contract support cost requirements to operate the new clinic are covered, the resulting \$6 million cut in staffing will drop the clinic to 65 percent of staffing capacity—even if the full JV staffing package is funded, and much less if it is not. This will severely compromise TCC's ability both to administer the new facility and to meet our debt obligations. Worse yet, services to our people will be gravely compromised.

We understand that the dollars required to finally close the gap in contract support cost requirements are large, but this is only because the problem has been allowed to snowball over so many years. Once a budget correction is made to finally close the contract support cost gap inside both agencies, maintaining full funding of contract support costs on a going-forward basis will be much more manageable.

This is why TCC respectfully requests that the IHS appropriation for CSC be increased by \$140 million above the President's recommended level, to \$617 million, and that the BIA appropriation for CSC for fiscal year 2013 be similarly increased to \$242 million.

Whatever the subcommittee chooses to do, the answer is, unequivocally, not to legislatively amend the Indian Self-Determination Act to cut off our rights to compensation for IHS's contract under-payments. Yet that is precisely what the President's budget proposes—cutting off the rights which currently exist under section 110 of the act to sue the Government when we are not paid.

This is rank discrimination—racial discrimination—and it must stop. No other contractor in the United States performs work for the Government only to be told that it has no right to be paid. The very suggestion is ludicrous. Last year the Supreme Court in the *Ramah* and *Arctic* cases said so, and they said that our contracts are just as binding as any other contract. That is the law. The answer to those rulings is not to change the law. The answer is to honor the contracts.

We are shocked to see the administration unilaterally propose changing the law so radically, and to see the administration actually suggest that we be paid only what the administration tells the subcommittee it will pay us, in a secret table it will provide to the subcommittee sometime next year. The very suggestion is enough to make us consider turning these contracts back over to IHS. Let's see if IHS can do as good a job for our Tribal people as we do.

The fact is, IHS cannot do this work. All we ask is to be treated fairly, just like other contractors. The Government sets our indirect cost rates—not us—and just like other contractors the Government should pay those rates in full. If it cannot, or will not, prioritize those payments, then just like other contractors we must continue to be able to vindicate our rights under the Contract Disputes Act. Anything else is un-American, forcing us to do work without paying us what is due.

The Supreme Court has not once, but twice, told the Government what to do: honor our contracts. The time is here to do just that.

Members of the subcommittee, thank you for the honor of presenting testimony today.

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#### PREPARED STATEMENT OF THE CONSERVATION FUND

Chairman Reed, Ranking Member Murkowski, and members of the Appropriations Subcommittee on Interior, Environment, and Related Agencies, thank you for this opportunity to submit testimony on behalf of The Conservation Fund for the subcommittee's public witness hearing. The Conservation Fund (TCF) supports full funding of the President's budget request of \$600 million in fiscal year 2014 for the Land and Water Conservation Fund (which includes the land acquisition programs of the Bureau of Land Management, National Park Service, U.S. Fish and Wildlife Service (FWS), U.S. Forest Service (USFS) and Cooperative Endangered Species Conservation Fund). Additionally, TCF supports full funding of the President's request for the FWS's North American Wetlands Conservation Fund (\$39.4 million) and USFS's Community Forest and Open Space Conservation Program (\$4 million).

The Conservation Fund (TCF) is a national, nonprofit conservation organization dedicated to conserving America's land and water legacy for future generations. Established in 1985, TCF works with landowners; Federal, State, and local agencies; and other partners to conserve our Nation's important lands for people, wildlife and

communities. To date, TCF has helped our partners to conserve over 7.2 million acres. These accomplishments are due, in large measure, to the leadership of this subcommittee over many years to appropriate funds to Federal agencies to acquire lands for future generations.

Below are highlights of some benefits of the LWCF and land acquisition programs. While these projects show the tremendous diversity of benefits of land acquisition for the public, they have one thing in common—each of these projects is driven by landowners. Many farmers, ranchers and forestland owners have significant financial equity in their land. By enabling a landowner to sell a conservation easement or fee title, the LWCF program provides landowners with funds to stay in business, reinvest in businesses, or meet other financial goals.

As the subcommittee crafts its Interior and Related Agencies appropriations bill, there are several key points we respectfully request you to consider, listed below. Each of the funding amounts below reflects the fiscal year 2014 President's budget request.

*Land and Water Conservation Fund (LWCF) at \$600 million.*—Funding at the recommended \$600 million is critical for the Nation's premier conservation program, a bipartisan agreement from almost 50 years ago. As the lists of ready LWCF projects below show, there are many opportunities that will be lost without this funding. We also strongly believe that LWCF should be funded at the full authorized level of \$900 million by fiscal year 2015 due to the clear need that has been demonstrated across the Nation and the promise to the Nation that proceeds from offshore oil and gas development would help protect the public trust.

The LWCF budget includes four Collaborative Landscape Program (CLP) areas that we ask you to support: Crown of the Continent, National Trails System, California Desert, and Longleaf Pine. In each CLP, several Federal land agencies are partnering with local groups, nonprofits and private interests to support conservation and make a lasting impact.

*Bureau of Land Management Land Acquisition at \$48.926 million.*—The BLM and its National Conservation Lands provide some of our Nation's best recreation and historic areas. From fishing at the North Platte River in Wyoming to exploring Pueblo ruins at Canyons of the Ancients in Colorado, we request funding for the following projects:

- Canyons of the Ancients National Monument, Colorado, \$1.703 million, #2 ranking;
- California Desert CLP: Johnson Canyon ACEC, California, \$1.06 million, #11 ranking;
- Cascade-Siskiyou National Monument, Oregon, \$2 million, #11 ranking;
- North Platte River SRMA, Wyoming, \$900,000, #16 ranking;
- National Trails CLP: Lewis and Clark NHT and Nez Perce NHT, Montana, \$1.6 million, #17 ranking; and
- Aqua Fria National Monument, Arizona, \$110,740, #20 ranking.

*National Park Service Land Acquisition at \$90.586 million.*—Hosting more than 275 million visitors every year, the over 400 National Parks provide an economic boost to their local communities and those employed directly and indirectly. Funding for NPS LWCF will help protect key access points for recreation, historic areas, trails and more, from the lakeshore at Sleeping Bear Dunes in Michigan to the historic trails that allow the public to experience our Nation's heritage. We respectfully request funding for the following projects:

- Sleeping Bear Dunes National Lakeshore, Michigan, \$5.296 million, #2 ranking;
- San Antonio Missions National Historic Park, Texas, \$1.76 million, #3 ranking;
- California Desert Collaborative: Joshua Tree National Park and Mojave Preserve, California, \$7.595 million, #7 ranking;
- Greenways and Blueways, \$4.745 million, #8 ranking;
- Sand Creek Massacre, Colorado, \$319,000, #9 ranking; and
- National Trails Collaborative, Multiple States, \$25.002 million, #10 ranking.

*U.S. Fish and Wildlife Service Land Acquisition at \$106.330 million.*—USFWS National Wildlife Refuges and other USFWS areas are our Nation's protectors of clean water, clean air, abundant wildlife and world-class recreation. Funding for fiscal year 2014 USFWS LWCF will help preserve grizzly bear territory of the Rocky Mountain Front in Montana to protect a key river and wildlife corridor at the Neches River NWR in Texas. We respectfully request funding for the following projects:

- Crown of the Continent Collaborative, Montana, \$11.94 million, #1 ranking;
- Dakota Grasslands, North Dakota/South Dakota, \$8.65 million, #2 ranking;
- Everglades Headwaters, \$5 million, #3 ranking;
- Longleaf Pine Collaborative, Georgia/Florida/South Carolina, \$9.481 million, #4 ranking;

- Neches River National Wildlife Refuge, Texas, \$3 million, #6 ranking;
- Dakota Tallgrass Prairie WMA, North Dakota/South Dakota, \$3 million, #7 ranking;
- Lower Rio Grande Valley NWR, Texas, \$1 million, #13 ranking;
- Blackwater NWR, Maryland, \$1 million, #16 ranking; and
- National Trails Collaborative, Pennsylvania/New Mexico/Washington, \$12.66 million, #18 ranking.

*U.S. Forest Service Land Acquisition at \$57.934 million.*—USFS LWCF funds help with forest management by protecting key inholdings and reduce fire threats. From the longleaf pine in the southeast to the North Carolina Threatened Treasures to the Missouri Ozarks, we are working with willing landowners at the following projects areas and respectfully request funding:

- Crown of the Continent Collaborative, Montana, \$31 million, #1 ranking;
- Missouri Ozarks-Current River, Missouri, \$1.76 million, #4 ranking;
- Disappearing Wildlands, Georgia, \$1.435 million, #10 ranking;
- California Desert Collaborative, California, \$10.39 million, #11 ranking;
- North Carolina Threatened Treasures, North Carolina, \$1.25 million, #13 ranking;
- National Trails Collaborative, Multiple States, \$8.925 million, #15 ranking; and
- Cube Cover, \$1 million, #16 ranking.

*LWCF State Grant Programs—Section 6 and Forest Legacy.*—We encourage the subcommittee to fully fund the fiscal year 2014 President’s budget request for:

- FWS’ Section 6 Cooperative Endangered Species Conservation Fund—\$84 million; and
- USFS’ Forest Legacy Program—\$84.8 million; project highlights include:
  - Gilchrist State Forest, Oregon, \$3 million, #1 ranking;
  - Mahoosuc Gateway, New Hampshire, \$5.715 million, #3 ranking;
  - Brule-St. Crox, Wisconsin, \$4.5 million, #7 ranking;
  - Blood Run National Historic Landmark Area, South Dakota, \$1.205 million, #9 ranking;
  - Klickitat Canyon Working Forest, Washington, \$3.5 million, #10 ranking;
  - Rocky Hammock at Broxton Rocks, Georgia, \$2 million, #17 ranking;
  - Bobcat Ridge, Texas, \$2.37 million, #22 ranking;
  - Windham Region Working Forest, Vermont, \$2.185 million, #23 ranking; and
  - Liberty Hill Phase I, South Carolina, \$2 million, #25 ranking.

*Priority Land Acquisition Programs.*—TCF encourages the subcommittee to fund:
 

- FWS’ North American Wetlands Conservation Fund—\$39.425 million; and
- USFS’ Community Forest and Open Space Conservation Program—\$4 million.

*Reauthorization of the Federal Land Transaction Facilitation Act (S. 368).*—We request your support to reauthorize the Federal Land Transaction Facilitation Act (FLTFA) this Congress. The FLTFA program is now expired and we support the fiscal year 2014 President’s budget request to reauthorize this important program that provides conservation funding for the West, at no cost to the taxpayer. Through FLTFA’s “land for land” program, BLM sells land identified for disposal to ranchers, farmers, businesses and others to consolidate land ownership, create jobs, support economic development and increase revenues to counties by putting land on the tax rolls. These sales generate funding for BLM, USFS, NPS and USFWS to acquire critical inholdings from willing sellers in certain designated areas, which often complements LWCF, NAWCA and other public and private funding. The sales provide revenue for Federal agencies to acquire high-priority lands with important recreational access for hunting, fishing, hiking, boating, other activities, as well as properties with historic, scenic and cultural resources. Over 90 groups are working together to support Congress’ efforts to reauthorize FLTFA.

*Department of the Interior’s Natural Resource Damage Assessment and Restoration Program at \$12,539,000.*—The Restoration Program leads the national response for recovery of natural resources that have been injured or destroyed as a result of oil spills or releases of other hazardous substances. Recoveries from responsible parties can only be spent to implement restoration plans developed by the Trustee Council for each incident. These funds are 100 percent private and represent the amount needed to restore environmental resources or compensate for lost public use since the damage in question. The fiscal year 2014 funds would allow the Program to add carefully targeted staff allocated to Interior bureaus and offices through its Restoration Support Unit in order to accelerate restoration activities.

The Conservation Fund stands ready to work with you to secure full and consistent funding for the LWCF, Forest Legacy, and the other critically important programs that help protect the environment, economies, forests, and community values across our Nation. Thank you for the opportunity to provide this testimony and your consideration of our request.

## PREPARED STATEMENT OF THE THEATRE COMMUNICATIONS GROUP

Mr. Chairman and distinguished members of the subcommittee, Theatre Communications Group—the national service organization for the American theatre—is grateful for this opportunity to submit testimony on behalf of our 494 not-for-profit member theatres across the country and the 34 million audience members that the theatre community serves. We urge you to support funding at \$155 million for the National Endowment for the Arts for fiscal year 2014.

Indeed, the entire not-for-profit arts industry stimulates the economy, creates jobs and attracts tourism dollars. The not-for-profit arts generate \$135.2 billion annually in economic activity, support 4.13 million jobs and return \$9.59 billion in Federal income taxes. Art museums, exhibits and festivals combine with performances of theatre, dance, opera and music to draw tourists and their consumer dollars to communities nationwide. Federal funding for the arts creates a significant return, generating many more dollars in matching funds for each Federal dollar awarded, and is clearly an investment in the economic health of America. In an uncertain economy where corporate donations and foundation grants to the arts are diminished, and increased ticket prices would undermine efforts to broaden and diversify audiences, these Federal funds simply cannot be replaced. Maintaining the strength of the not-for-profit sector, along with the commercial sector, will be vital to supporting the economic health of our Nation.

Our country's not-for-profit theatres develop innovative educational activities and outreach programs, providing millions of young people, including "at-risk" youth, with important skills for the future by expanding their creativity and developing problem-solving, reasoning and communication abilities—preparing today's students to become tomorrow's citizens. Our theatres present new works and serve as catalysts for economic growth in their local communities. These theatres also nurture—and provide artistic homes for the development of—the current generation of acclaimed writers, actors, directors and designers working in regional theatre, on Broadway and in the film and television industries. At the same time, theatres have become increasingly responsive to their communities, serving as healing forces in difficult times, and producing work that reflects and celebrates the strength of our Nation's diversity.

Here are some recent examples of NEA grants and their impact:

In order to create a lasting impact on the field and promote burgeoning playwrights, the Alliance Theatre based in Atlanta, Georgia received a \$40,000 Art Works grant to support the world premiere production of "Bike America" by Mike Lew, the winning play of their National Graduate Playwriting competition. Recounting the story of an unlikely athlete's journey by bicycle from the Atlantic to the Pacific Ocean, this winning script captures the restlessness of a millennial generation that will go to any lengths to find a place that is always just out of reach. The National Graduate Playwriting Competition is a one-of-a-kind national competition that transitions student playwrights to the world of professional theatre, and has resulted in high profile partnerships for the Alliance Theatre with institutions and associations such as Fox Theatricals, the Kennedy Center, the Lark Theatre and the National New Play Network. In addition to programs that launch the careers of emerging writers, the Alliance annually reaches more than 200,000 audience members and positively impacts more than 70,000 students through their performances and in-school education programs.

With a \$10,000 Art Works grant from the NEA, Cleveland Public Theatre (CPT) will produce "Earth Plays," the second work in The Elements cycle. The Elements is a series of four plays—each focused on a distinctive aspect of sustainability—and a fifth "bridge play" that integrates the work. The first play, "Water Ways," was a multi-media work about the fragility of our great resource—water, through a collaboration between CPT and Oberlin College and Conservatory. For "Earth Plays," 9 creator/directors, 20 actors, 3 designers and an extensive production team have devised 12 short plays that illuminate our ever-changing relationship with the environment. These provocative works, which range from comedic to tragic—surreal to very real, immerse audiences in a theatrical experience that propels them out of their seats and moves them through the theatre space. Through 11 performances, "Earth Plays" reached an audience of 1,500. The other two plays in the cycle, "Air Waves" and "Fire," are scheduled for the 2013–14 season.

An Art Works grant of \$35,000 from the NEA has allowed Seattle Children's Theatre (SCT), one of this country's most prominent creators of new theatrical work for young audiences, to engage artistic organizations and audiences far beyond the Pacific Northwest with a production of "The Edge of Peace" by Suzan Zeder. This poignant story speaks to the impact of military service on family members, and is the culmination of a dramatic trilogy which explores the role of the deaf within

American society. "The Edge of Peace" is a collaboration among artists from throughout the United States. The initial workshop took place at the Kennedy Center for the Performing Arts and was further developed and first produced at the University of Texas (UT) at Austin. SCT's Artistic Director, Linda Hartzell, included several MFA candidates from UT in public and school show performances which will reach approximately 1,350 patrons in Austin and another 7,425 children, teachers and parents in Seattle.

With a \$15,000 Art Works grant from the NEA, Idaho Shakespeare Festival was able to grow their Access Program and open the door for more than 30,000 people ages 5 to 100 to enjoy the professional theatre arts, many of whom would not be able to attend otherwise. The program includes a tour with more than 100 performances that includes an engaging new script with full set, costumes and sound to elementary students across the State of Idaho. Additionally, the program creates access for students of all ages, the deaf and hard-of-hearing, elderly on fixed income, at-risk youth, refugees, wounded veterans (as well as their families) and volunteer service providers to attend the Festival's mainstage season. By integrating those with special needs into the broader audience, the Access Program has significantly broadened the demographic makeup and interest of those able to experience performances.

These are only a few examples of the kinds of extraordinary programs supported by the National Endowment for the Arts. Indeed, the Endowment's Theatre Program is able to fund only 50 percent of the applications it receives, so 50 percent of the theatres are turned away because there aren't sufficient funds. Theatre Communications Group urges you to support a funding level of \$155 million for fiscal year 2014 for the NEA, to maintain citizen access to the cultural, educational and economic benefits of the arts, and to advance creativity and innovation in communities across the United States.

The arts infrastructure of the United States is critical to the Nation's well-being and its economic vitality. It is supported by a remarkable combination of government, business, foundation and individual donors. It is a striking example of Federal/State/private partnership. Federal support for the arts provides a measure of stability for arts programs nationwide and is critical at a time when other sources of funding are diminished. Further, the American public favors spending Federal tax dollars in support of the arts. The NEA was funded at \$146 million in the fiscal year 2013 budget which was reduced due to sequestration; however, it has never recovered from a 40 percent budget cut in fiscal year 1996 and its programs are still underfunded. We urge the subcommittee to fund the NEA at a level of \$155 million to preserve the important cultural programs reaching Americans across the country.

Thank you for considering this request.

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PREPARED STATEMENT OF THE NATURE CONSERVANCY

Chairman Reed, Ranking Member Murkowski and members of the subcommittee, thank you for the opportunity to submit The Nature Conservancy's recommendations for fiscal year 2014 appropriations. My name is Christy Plumer and I am the Director of Federal Land Programs for the Conservancy. The Nature Conservancy is an international, nonprofit conservation organization working around the world to protect ecologically important lands and waters for nature and people. Our mission is to conserve the lands and waters upon which all life depends.

As we enter the fiscal year 2014 budget cycle and another year of a challenging fiscal environment, the Conservancy continues to recognize the need for fiscal austerity. The Conservancy also wishes to thank this subcommittee for the final fiscal year 2013 funding levels for Department of the Interior and U.S. Forest Service conservation programs. As this subcommittee begins to tackle yet another difficult budget cycle, the Conservancy stresses our concerns that the wildlife and land conservation programs should not shoulder a disproportionate share of cuts in this budget. Our budget recommendations this year reflect a balanced approach with funding levels consistent with the President's budget request or, in rare instances such as wildland fire, reflect specific program needs. Moreover, as a science-based and business-oriented organization, we believe strongly that the budget levels we support represent a prudent investment in our country's future that will reduce risks and ultimately save money based on the tangible economic, recreation and societal benefits natural resources provide each year to the American people. We look forward to working with this subcommittee as you address the ongoing needs for conservation investments to sustain our Nation's heritage of natural resources that are also important to the economic vitality of communities across this country.



*Land and Water Conservation Fund.*—The fiscal year 2014 President’s budget proposes, for the first time, the establishment of a dedicated source of long-term funding for the Land and Water Conservation Fund. In the proposal, the President’s budget includes \$400 million for LWCF activities through “discretionary funding” or traditional appropriations and then an additional \$200 million in “mandatory” LWCF funding along with an accompanying request for Congress to authorize mandatory funding for the program. The budget then proposes to reach the \$900 million funding level for the program by fiscal year 2015.

The Conservancy supports this phased shift to mandatory funding for the LWCF Program. However, we believe the administration must work closely with the Senate Appropriations Committee, the House Appropriations Committee and the appropriate authorizing committees to move this proposal forward. Further, the Conservancy supports a balanced approach in funding for “core” LWCF projects selected through Federal agencies traditional ranking processes and the administration’s new focus on “collaborative” projects. These collaborative projects emphasize community-driven conservation efforts that benefit agricultural, ranching and forest-based landscapes; support recreational access; and leverage limited Federal dollars with State, county and private funding. Projects in the Longleaf Pine region of the Southeast will benefit greatly from this collaborative LWCF emphasis, along with existing projects in the Crown of the Continent and new project sites in the SW Desert of California and Trails nationwide. We also understand areas in the Southern Appalachians; the Great Lakes; and Arizona/Colorado/New Mexico are teeing up to take advantage of this funding stream in the near future.

Due to our long-term holding status of projects in Montana (Montana Legacy Project, USFS—ongoing need of ~\$33 million to complete) and U.S. Fish and Wildlife Service projects in Florida (St. Marks and Everglades Headwaters NWR&CA), the Conservancy is strongly supporting a robust LWCF funding level including both the collaborative and core components of the administration’s fiscal year 2014 LWCF request. Some of our other priorities include the John H. Chafee NWR, Silvio O. Conte NFWR within a four State integrated landscape, and the Francis Marion NF in South Carolina. We are also supportive of annual funding this year for LWCF investments in support of the working ranches of Florida’s Everglades Headwaters NWR & Conservation Area, Kansas’s Flint Hills Legacy Conservation Area, North Dakota and South Dakota’s Dakota Grasslands Conservation Area, and Montana’s Rocky Mountain Front Conservation Area. All of these projects exemplify landscape scale conservation through the cost effective means of conservation easements.

Additionally, the Conservancy is strongly supportive of the fiscal year 2014 President’s Department of the Interior budget and its focus on America’s Great Outdoors National Blueways. Last year, the Connecticut River Watershed—covering areas of Vermont, New Hampshire, Massachusetts and Connecticut—was designated as the Nation’s first National Blueway and a second river, the White River in Arkansas, was added to the list at the end of the year. National Blueways recognize and support existing local and regional conservation, outdoor recreation, environmental education and restoration efforts by supporting these efforts through technical assistance and funding prioritization. This ongoing effort, combined with the Department’s other efforts to leverage local, State, and regional funding through grant programs and technical assistance for river conservation and restoration, are of great import for the thousands of communities and businesses dependent upon these river systems for their livelihoods, public drinking water, flood protection, recreational access and general quality of life nationwide.

Finally, the Conservancy supports as strong a funding level as possible for the inholding and emergency land acquisition accounts for each of the Federal land management agencies. These accounts are critical for agencies to address land conservation priorities that arise quickly from willing sellers and may be utilized to acquire properties that may otherwise not be picked up under the agencies’ traditional ranking processes. Often, these high-value properties are under significant threat of development, provide key recreational access points to Federal lands or are critical inholdings within a Federal unit. These properties are typically placed on the market quickly due to a sudden death or become available due to a multitude of other scenarios that arise in the real estate marketplace. The inholding and emergency accounts provide Federal real estate managers with a small discretionary amount of funding to acquire these priority properties.

*Forest Legacy.*—We support \$60 million for the Forest Legacy Program in discretionary funding and the additional \$24.8 million in permanent funding (with our aforementioned caveats) with a focus on five projects—Pascagoula River Conservation Lands (Mississippi), McArthur Lake East (Idaho), Rocky Hammock at Broxton Rocks (Georgia), Clear Creek Conservation (Montana) and Carter Mountain Working Forest Conservation Easement (Tennessee)—totaling \$14.73 million. We hope

this year to complete the acquisition of these important lands that will provide recovery for wildlife habitat and rare species, public recreational access for hunting and fishing, and outdoor experiences for local residents and visitors.

*Endangered Species.*—The Conservancy supports a funding level of at least \$56 million for the Cooperative Endangered Species Conservation Fund (CESCF), and also requests the subcommittee give consideration to the additional fiscal year 2014 President's budget request of \$28 million in permanent funding for the program per our earlier request for negotiations to occur between administration and relevant congressional committees on a path forward for this funding. The Conservancy and its partners have used the Habitat Conservation Planning (HCP) Assistance and Recovery Land Acquisition Grants Programs to conserve key habitat for numerous threatened, endangered and at-risk species and, thus, to help avoid conflicts over ESA issues. It has been an important catalyst for several local government-led HCPs that facilitate urban development and streamline permitting of essential transportation and energy infrastructure.

*Colorado River Basin Recovery Programs.*—The Conservancy supports the President's fiscal year 2014 budget request for the Colorado River Basin recovery programs, including endangered species funding for the Upper Colorado River Endangered Fish Recovery Program, recovery funds for the San Juan River Basin Recovery Implementation Program, and fish hatchery needs associated with the recovery plans in this region. These highly successful collaborative efforts are vital to the recovery of the endangered fish and the ecosystems that support them and to providing water for the fast-growing Intermountain West in full compliance with the Endangered Species Act, State water and wildlife law, and interstate compacts.

*Wildlife Planning.*—The Conservancy supports the Western Governors' Association (WGA) request for the subcommittee to consider issuing a recommendation to land management agencies within its jurisdiction to utilize State fish and wildlife data and analyses to inform the land use, land planning and related natural resource decisions of those agencies. In an 2011 addendum to a 2009 Memorandum of Understanding between WGA, the Department of Energy, the Department of Agriculture, and the Department of the Interior, those Federal agencies agreed to seek to use State information on crucial wildlife habitats and corridors "as a principal, though not sole, source to inform their land use, land planning and related natural resource decisions." We recommend that report language from the subcommittee include a directive to the agencies that reflect this important agreement. As an example of strong State-led data systems, WGA has partnered in recent years with the Federal Government to develop Statewide GIS mapping tools to identify crucial wildlife habitat and migratory corridors. Funding provided by the subcommittee has helped support development of these geospatial mapping tools, which provide access to credible, broad-scale scientific data—compiled and analyzed by the States—for use in public land management and in the pre-planning of projects such as transmission lines and conservation initiatives. WGA is currently developing a West-wide GIS mapping tool called CHAT (Crucial Habitat Assessment Tool) that will knit together the efforts of the States for presentation of wildlife data and analysis on a regional landscape level. Our Arizona TNC Chapter has been very integrated in the development and enhancement of the Arizona data system (HabiMap)—a decision support system—which is the basis for our work on mitigation, habitat assessments and land planning in the State.

*Invasive Species.*—The Conservancy supports the President's fiscal year 2014 budget request of \$141 million for the FWS' Fisheries and Aquatic Resource Conservation program, including \$5.9 million to address the invasion of Asian carp in the Great Lakes and priority watersheds, including the Missouri, Ohio, and Upper Mississippi River. Commercial and sport fishing represent a \$61.7 billion industry. Asian carp poses an existential threat to aquatic native species, the very species commercial and sport fishermen rely upon. Asian carp are voracious filter feeders that can consume up to 20 percent of their body weight per day, in plankton, and have been known to grow upwards of 100 pounds. In less than two decades carp have migrated from our southern most States to our northern most. The urgency of the problem is clear across the Great Lakes System and its watersheds.

*State Wildlife Grants.*—The Conservancy endorses the Teaming with Wildlife Coalition's support for robust funding for this important program. Strong Federal investments are essential to ensure strategic actions are undertaken by State and Federal agencies and the conservation community to conserve wildlife populations and their habitats. We also support the administration's request to maintain the current program match requirement of 65:35 to help fiscally impacted States.

*Migratory Bird Joint Ventures and Fish Habitat Partnership Programs.*—The subcommittee has consistently provided vitally important investments for a number of migratory bird programs. Such investments are essential to reverse declines in bird

populations through direct conservation action, monitoring and science. We urge the subcommittee to fund the President's request for such established and successful programs as the North American Wetlands Conservation Act (NAWCA), the Migratory Bird Joint Ventures, and the FWS Migratory Bird Management Program. We support the President's request for the FWS Coastal Program and Partners for Fish and Wildlife Program and request strong funding this year for the National Fish Habitat Initiative, particularly in light of the recent Memorandum of Understanding announced between the Secretaries of the Interior, Commerce and Agriculture in support of the Initiative.

*International Programs.*—The international conservation programs appropriated annually within the Department of the Interior are relatively small but are effective and widely respected. They encompass the U.S. Fish and Wildlife Service's (FWS) Multinational Species Conservation Funds, the FWS Wildlife Without Borders regional and global programs, the U.S. National Park Service International Program, and the U.S. Forest Service International Program (USFS-IP). All of these programs already have been cut since the fiscal year 2009 or fiscal year 2010 years, typically by about 20 percent. The fiscal year 2013 spending levels for these programs remain somewhat uncertain, depending as they will upon a degree of administration flexibility within the ceiling of the fiscal year 2013 continuing resolution. But they all start out further reduced (from fiscal year 2012 levels) by the 5 percent of the sequester. All have a great record of achievements and of leveraging matching funds from host governments and private conservation groups. These programs are past investments that the U.S. Government has made toward conservation in the developing countries. The unmet needs for conservation in those countries remain great. The proper management of their natural resources is not only a matter of biodiversity, it relates directly to their sustainable economic progress, domestic peace, and security. We urge that these programs receive in fiscal year 2014, at a minimum, level funding with fiscal year 2013.

*Climate Change.*—Fish, wildlife, and their habitats are and will continue to be profoundly impacted by climate change, regardless of our successes in reducing greenhouse gas emissions. If we are to get out ahead of such change to avoid disastrous losses in critical habitat and the species that depend on that habitat, we must develop the place-based science to make informed, cost-effective management investments. The Conservancy appreciates the President's commitment to respond to the global climate challenge, and this subcommittee's sustained leadership in supporting cooperative, science-based programs to respond to the global climate challenge help ensure resilient land and seascapes. In particular, we welcome this subcommittee's ongoing commitment to both the USGS-led Climate Science Centers as well as DOI's Landscape Conservation Cooperatives, and efforts to ensure integration and coordination of these initiatives with existing efforts such as the Migratory Bird Joint Ventures and National Fish Habitat Partnerships.

*National Wildlife Refuge System.*—The Conservancy supports the Cooperative Alliance for Refuge Enhancement Coalition's request, consistent with the President's fiscal year 2014 budget, of \$499 million for Refuge System O&M. Found in every U.S. State and territory, national wildlife refuges conserve a diversity of America's environmentally sensitive and economically vital ecosystems, including oceans, coasts, wetlands, deserts, tundra, prairie, and forests. This represents the funding necessary to maintain management capabilities for the Refuge System.

*USFS Forest Health Management (FHM) Program.*—Close to 500 species of tree-damaging pests from other countries have become established in the country, and a new one is introduced, on average, every 2 to 3 years. At least 28 new tree-killing pests have been detected in the United States in just the last decade. Some of these are capable of causing enormous damage. For instance, Thousand cankers disease threatens black walnut trees across the East; the value of walnut growing stock is estimated to be \$539 billion. Already, municipal governments across the country are spending more than \$2 billion each year to remove trees on city property killed by non-native pests. Homeowners are spending \$1 billion to remove and replace trees on their properties and are absorbing an additional \$1.5 billion in reduced property values.

The USFS FHM Program is a critical resource supporting efforts to prevent, contain, and eradicate dangerous pests and pathogens affecting trees and forests. Further, FHM leads the Federal Government's efforts to counter forest pests which have become widespread, including gypsy moth, hemlock woolly adelgid, white pine blister rust, Port-Orford-cedar root disease, thousand cankers disease, oak wilt, and others. However, USFS funding for many of these vital pest programs has been cut severely, for example, the emerald ash borer account by nearly 60 percent since fiscal year 2010. Any further cuts to this program will necessitate deeper reductions in support for communities already facing outbreaks and expose more of the Na-

tion's forests and trees to the devastating and costly effects of the Asian Longhorned Beetle, Emerald Ash Borer, Hemlock Woolly Adelgid, Thousand Cankers Disease, Western Bark Beetle and other deadly pests.

*USFS Research and Development (R&D) Program.*—The USFS Research and Development Program (R&D) provides the scientific foundation for developing effective tools to detect and manage forest pests and the pathways by which they are introduced and spread. We consider it vitally important to conduct research aimed at improving detection and control methods for the Emerald Ash Borer, Hemlock Woolly Adelgid, Sudden Oak Death, Thousand Cankers Disease, Gold-spotted Oak Borer and other non-native forests pests and diseases. USFS research scientists have had the leading role in developing detection traps and evaluating treatments that make walnut lumber safe to continue moving in commerce.

*Collaborative Forest Landscape Restoration.*—The Conservancy appreciates the subcommittee's support for the Collaborative Forest Landscape Restoration (CFLR) Program, which demonstrates that stakeholder collaboration can facilitate large-scale management that benefits people, economies and the environment. We recommend that fiscal year 2012 funding be sustained for CFLR with \$40 million to restore large forest landscapes, provide jobs that sustain rural economies, reduce the risk of damaging wildfire, address invasive species, improve wildlife habitat and decommission unused, damaging roads. We also encourage your support for the Landscape Scale Restoration program proposed at \$18 million in the fiscal year 2012 State and Private Forestry (S&PF) budget. We believe this program could provide a valuable compliment to CFLR by facilitating restoration treatments on non-Federal land in priority landscapes. We also recommend reauthorization of stewardship contracting, a vital tool for forest landscape restoration.

*Wildland Fire Management.*—The President's fiscal year 2014 budget proposes \$201 million for the USFS for Wildland Fire Management which is at least a 25 percent reduction and \$96 million for DOI which is an even more devastating 48 percent reduction. The Hazardous Fuels program provides critical funding for the agencies to proactively manage Federal forests for both wildfire risk reduction and longer term ecological resilience versus continuing to spend billions on reactive emergency fire response. The Conservancy appreciates Congress' ongoing support for a balanced approach to wildland fire management—one that emphasizes proactive hazardous fuels reduction and community preparedness along with a commitment to safe and cost-effective wildfire response strategies. In light of this approach, we believe it is essential to maintain at least the fiscal year 2012 funding level for Hazardous Fuels Reduction and urge you to repeat your instructions in the fiscal year 2012 conference report regarding the allocation of funding to priority landscapes in both WUI and wildland settings. A public investment in improving forest health and decreasing hazardous fuels before a damaging wildfire occurs can pay tremendous dividends by reducing the need for multi-million dollar emergency wildfire suppression efforts and subsequent post-fire rehabilitation and response. We also urge your support for level funding of the State Fire Assistance (SFA) program, which enables States and other non-Federal land managers to pursue complementary hazardous fuels reduction and wildfire preparedness activities. Focusing both Hazardous Fuels and SFA dollars on communities that have taken steps to reduce their own exposure to wildfire will further increase the benefits of these programs. We are encouraged by the potential of the Fire Adapted Communities program to facilitate this kind of coordinated community and land management action. Finally, we recognize that even with a robust, proactive approach to land management, Federal wildfire preparedness and suppression resources will need to be maintained at an effective level to protect life, property and natural resources. We urge you to fund Federal wildfire suppression at the 10-year average, at a minimum, and to maintain a sufficient balance in the FLAME reserve account so that the need for funding transfers from critical non-fire programs can be reduced. We also strongly support the use of naturally ignited fire as a cost-effective and ecologically beneficial tool for accomplishing resource management objectives whenever safe and effective to do so.

*Integrated Resource Restoration.*—We appreciate the subcommittee's support for an Integrated Resource Restoration (IRR) pilot, which has allowed three Forest Service Regions to test an integrated budget approach. The Conservancy continues to follow implementation of this pilot; we hope and expect to see an increase in restoration outcomes as a result. The Conservancy believes it is premature to take this pilot national, but supports continuation of the pilot for a third year. We understand that plans are underway for an external third-party review of IRR implementation. We strongly support this review as a way to capture lessons learned and determine whether full implementation is warranted.

*Legacy Road and Trail Remediation.*—Roads are a key source of threats to water quality and watershed health. Despite recent progress in the number of roads repaired and decommissioned, a sizeable backlog of high priority roads and trails that degrade water quality remains. We recommend that Legacy Roads and Trails be funded at the fiscal year 2012 enacted level to ensure that these actions are taken in a timely manner to protect our critical watersheds.

*Sage Grouse Conservation.*—The Conservancy supports the President's fiscal year 2014 budget request of \$15 million for the Bureau of Land Management's (BLM) focus on sage grouse conservation. Greater sage grouse populations have experienced a precipitous decline across the West in recent years due to a number of impacts. The FWS is currently scheduled to make a final decision on whether or not to list the species under the Endangered Species Act by 2015. As a result, this funding is critical now for BLM's ability to implement regulations and proactive conservation and restoration measures to help prevent the future listing of this species. In particular, funds will be used to incorporate sage grouse conservation measures into BLM's planning process including 98 resource management plans that cover 68 planning areas in 10 western States. This process will include integration of State-led planning efforts. It will also cover broad-scale monitoring activities to ascertain the effectiveness of habitat management and land use authorizations. This is a collaborative effort that also involves the FWS, USFS, and NRCS. Avoiding ESA listing of the sage-grouse will ensure that activities on BLM lands—recreation, hunting, grazing, and energy and mineral development—will be able to continue without the need for implementation of ESA protections as well as maintain flexibility for private landowners. Funding to support these activities is needed to continue this smart, collaborative, and proactive conservation effort to avoid listing.

*New Energy Frontier and BLM Regional Planning.*—The Conservancy supports the administration's recommended fiscal year 2014 funding for DOI's "New Energy Frontier" which includes an additional \$26.4 million over 2012 enacted levels (\$99.9 million total) for advancing responsible renewable energy development, and \$71 million (\$771.6 million total) for improving conventional energy development. This program provides important funding not only for advancing domestic, low carbon, renewable energy production but also for increasing the safety and environmental performance of renewable and conventional energy development. Additionally, by supporting activities such as landscape-scale energy planning, baseline studies, and expanded consultation and permit review capacity, this program will help ensure projects avoid and minimize conflicts with other important uses and allow planning and project-level review to go forward without delay.

*Renewable Energy.*—This section includes \$29.1 million for BLM to support environmentally sound development of renewable energy sources on public lands and offshore, including a \$7.1 million program increase to identify additional renewable energy zones and implement near-complete renewable energy plans. This builds off the important work that BLM completed as part of the Western Solar Energy Plan, which identified 17 solar zones in six States. It also directs \$34.4 million to BOEM for responsible siting of offshore wind farms, such as through the thoughtful "Smart from the Start" framework. This funding would also support timely project consultation and permit reviews by increasing capacity in FWS (\$14.1 million) and USGS (\$9.9 million).

*Conventional Energy.*—This section includes funding for BOEM to conduct environmental assessments and ecological baseline research, and funding to numerous agencies to increase inspection and compliance capacity. Of particular importance is an additional \$13 million to support an interagency research and development effort among DOI, DOE and EPA to assess and develop mechanisms for reducing environmental and health impacts from hydraulic fracturing.

In addition to funding characterized in the New Energy Frontier, we support funding for BLM completion of Rapid Ecoregional Assessments (REAs), a key information tool for the agency to respond to the growing challenges of climate change and energy development. We also recommend robust funding for BLM resource management and transportation planning activities. These funds are needed to complete ongoing planning efforts and to initiate new planning efforts in key places, without which the agency cannot make informed energy mitigation and siting decisions and take the management actions necessary to improve priority wildlife and aquatic habitats, ensure water quality, control invasive species and manage off-road vehicle use.

*Bureau of Reclamation.*—The WaterSMART program helps implement the SECURE Water Act, a law that authorizes water and science agencies to work together with State and local water managers to plan for drought, climate change, and other threats to water supplies. WaterSMART is critically important to communities struggling to maintain drinking water supplies and sustain ecosystems in the face

of ongoing drought in the western United States. Congress should avoid disproportionate cuts to this forward-thinking program, which addresses in a collaborative, cost-effective manner the stark challenges identified in Reclamation's recent Colorado River Basin Water Supply and Demand Study. Specifically, we request that funding for WaterSMART be restored from \$12.5 million in the President's budget to the pre-sequestration level of \$30.75 million.

*Environmental Protection Agency.*—TNC acknowledges that reductions in EPA's budget are necessary to support national deficit reduction. However, Congress should remain mindful of the relatively small size of EPA's discretionary budget as it considers where additional budget cuts should occur Government-wide. Congress should avoid disproportionate cuts to EPA's ecosystem-oriented water programs because those programs have such wide-reaching and beneficial impacts throughout the country. We also continue to support the allocation of sufficient funds for innovative strategic planning programs like the Healthy Watersheds Initiative, which embraces a whole-system planning approach to water resource management. This program should be endorsed as a means to enable Federal and State programs to protect and restore freshwater habitats at large scale through more bang-for-the-buck actions.

Thank you for the opportunity to present The Nature Conservancy's recommendations for the fiscal year 2014 Interior, Environment, and Related Agencies appropriations bill.

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PREPARED STATEMENT OF THE NATURE CONSERVANCY

Chairman Reed, Ranking Member Murkowski and members of the subcommittee, thank you for the opportunity to submit recommendations for fiscal year 2014 appropriations. The Nature Conservancy is an international, nonprofit conservation organization working around the world to protect ecologically important lands and waters for nature and people. Our mission is to conserve the lands and waters upon which all life depends.

As we enter the fiscal year 2014 budget cycle and another year of a challenging fiscal environment, the Conservancy continues to recognize the need for fiscal austerity. The Conservancy also wishes to thank this subcommittee for the final fiscal year 2013 funding levels for Department of the Interior and U.S. Forest Service conservation programs. As this subcommittee begins to tackle yet another difficult budget cycle, the Conservancy stresses our concerns that the wildlife and land conservation programs should not shoulder a disproportionate share of cuts in this budget. Our budget recommendations this year reflect a balanced approach with funding levels consistent with the President's budget request or, in rare instances such as wildland fire, reflect specific program needs. We look forward to working with this subcommittee as you address the ongoing needs for conservation investments to sustain our Nation's heritage of natural resources that are also important to the economic vitality of communities across this country.

*Land and Water Conservation Fund.*—The fiscal year 2014 President's budget proposes, for the first time, the establishment of a dedicated source of long-term funding for the Land and Water Conservation Fund. In the proposal, the President's budget includes \$400 million for LWCF activities through "discretionary funding" or traditional appropriations and then an additional \$200 million in "mandatory" LWCF funding. The budget then proposes to reach the \$900 million funding level for the program by fiscal year 2015. The Conservancy supports this phased shift to mandatory funding for the LWCF Program. However, we believe the administration must work closely with the appropriate appropriations and authorizing committees to move this proposal forward. Further, the Conservancy supports a balanced approach in funding for "core" LWCF projects and the administration's new focus on "collaborative" projects. Projects in the Longleaf Pine region will benefit greatly from this collaborative emphasis, along with existing projects in the Crown of the Continent, California and Trails nationwide. Our priorities this year include the Montana Legacy Project (~\$33 million to complete), the John Chafee NWR, Silvio O. Conte NFWR, the Francis Marion NF, and the working ranches of Florida's Everglades Headwaters NWR & Conservation Area, Kansas's Flint Hills Legacy Conservation Area, North Dakota and South Dakota's Dakota Grasslands Conservation Area, and Montana's Rocky Mountain Front Conservation Area.

*Forest Legacy.*—We support \$60 million for the Forest Legacy Program in discretionary funding and the additional \$24.8 million in permanent funding (with our aforementioned caveats) with a focus on five projects—Pascagoula River Conservation Lands (Mississippi), McArthur Lake East (Idaho), Rocky Hammock at Broxton

Rocks (Georgia), Clear Creek Conservation (Montana) and Carter Mountain Working Forest Conservation Easement (Tennessee)—totaling \$14.73 million.

*Endangered Species.*—The Conservancy supports a funding level of at least \$56 million for the Cooperative Endangered Species Conservation Fund (CESCF), and also requests the subcommittee give consideration to the additional fiscal year 2014 President's budget request of \$28 million in permanent funding for the program per our earlier request for negotiations to occur between administration and relevant congressional committees on a path forward for this funding.

*Colorado River Basin Recovery Programs.*—The Conservancy supports the President's fiscal year 2014 budget request for the Colorado River Basin recovery programs, including endangered species funding for the Upper Colorado River Endangered Fish Recovery Program, recovery funds for the San Juan River Basin Recovery Implementation Program, and fish hatchery needs associated with the recovery plans in this region.

*Wildlife Planning.*—The Conservancy supports the Western Governors' Association (WGA) request for the subcommittee to consider issuing a recommendation to land management agencies within its jurisdiction to utilize State fish and wildlife data and analyses to inform the land use, land planning and related natural resource decisions of those agencies. In a 2011 addendum to a 2009 Memorandum of Understanding between WGA, the Department of the Energy, the Department of Agriculture, and the Department of the Interior, those Federal agencies agreed to seek to use State information on crucial wildlife habitats and corridors "as a principal, though not sole, source to inform their land use, land planning and related natural resource decisions." We recommend report language from the subcommittee include a directive to the agencies that reflect this important agreement.

*Invasive Species.*—The Conservancy supports the President's fiscal year 2014 budget request of \$141 million for the FWS' Fisheries and Aquatic Resource Conservation program, including \$5.9 million to address the invasion of Asian carp in the Great Lakes and priority watersheds, including the Missouri, Ohio and Upper Mississippi River.

*State Wildlife Grants.*—The Conservancy endorses the Teaming with Wildlife Coalition's support for robust funding for this important program. Strong Federal investments are essential to ensure strategic actions are undertaken by State and Federal agencies and the conservation community to conserve wildlife populations and their habitats. We also support the administration's request to maintain the current program match requirement of 65:35 to help fiscally impacted States.

*Migratory Bird Joint Ventures and Fish Habitat Partnership Programs.*—We urge the subcommittee to fund the President's request for such established and successful programs as the North American Wetlands Conservation Act (NAWCA), the Migratory Bird Joint Ventures, and the FWS Migratory Bird Management Program. We support the President's request for the FWS Coastal Program and Partners for Fish and Wildlife Program and request strong funding this year for the National Fish Habitat Initiative.

*International Programs.*—The international conservation programs appropriated annually within the Department of the Interior are relatively small but are effective and widely respected. They encompass the U.S. Fish and Wildlife Service's (FWS's) Multinational Species Conservation Funds, the FWS Wildlife Without Borders regional and global programs, the U.S. National Park Service International Program, and the U.S. Forest Service International Program (USFS-IP). We urge that these programs receive in fiscal year 2014, at a minimum, level funding with fiscal year 2013.

*Climate Change.*—The Conservancy appreciates the President's commitment to respond to the global climate challenge, and this subcommittee's sustained leadership in supporting cooperative, science-based programs to respond to the global climate challenge help ensure resilient land and seascapes. In particular, we welcome this subcommittee's ongoing commitment to both the USGS-led Climate Science Centers as well as DOI's Landscape Conservation Cooperatives.

*National Wildlife Refuge System.*—The Conservancy supports the Cooperative Alliance for Refuge Enhancement Coalition's request, consistent with the President's fiscal year 2014 budget, of \$499 million for Refuge System O&M. Found in every U.S. State and territory, national wildlife refuges conserve a diversity of America's environmentally sensitive and economically vital ecosystems, including oceans, coasts, wetlands, deserts, tundra, prairie, and forests. This represents the funding necessary to maintain management capabilities for the Refuge System.

*USFS Forest Health Management (FHM) Program.*—The USFS FHM Program is a critical resource supporting efforts to prevent, contain, and eradicate dangerous pests and pathogens affecting trees and forests. Further, FHM leads the Federal Government's efforts to counter forest pests which have become widespread, includ-

ing gypsy moth, hemlock woolly adelgid, white pine blister rust, Port-Orford-cedar root disease, thousand cankers disease, oak wilt, and others. However, USFS funding for many of these vital pest programs has been cut severely, for example, the emerald ash borer account by nearly 60 percent since fiscal year 2010.

*USFS Research and Development (R&D) Program.*—The USFS Research and Development Program (R&D) provides the scientific foundation for developing effective tools to detect and manage forest pests and the pathways by which they are introduced and spread. We consider it vitally important to conduct research aimed at improving detection and control methods for the Emerald Ash Borer, Hemlock Woolly Adelgid, Sudden Oak Death, Thousand Cankers Disease, Gold-spotted Oak Borer and other non-native forests pests and diseases.

*Collaborative Forest Landscape Restoration.*—The Conservancy appreciates the subcommittee's support for the Collaborative Forest Landscape Restoration (CFLR) Program, which demonstrates that stakeholder collaboration can facilitate large-scale management that benefits people, economies and the environment. We recommend that fiscal year 2012 funding be sustained for CFLR with \$40 million to restore large forest landscapes, provide jobs that sustain rural economies, reduce the risk of damaging wildfire, improve wildlife habitat and decommission unused, damaging roads. We also encourage your support for the Landscape Scale Restoration program proposed at \$18 million in the fiscal year 2012 State and Private Forestry (S&PF) budget. We also recommend reauthorization of stewardship contracting, a vital tool for forest landscape restoration.

*Wildland Fire Management.*—The President's fiscal year 2014 budget proposes \$201 million for the USFS for Wildland Fire Management which is at least a 25 percent reduction and \$96 million for DOI which is an even more devastating 48 percent reduction. The Conservancy appreciates Congress' ongoing support for a balanced approach to wildland fire management—one that emphasizes proactive hazardous fuels reduction and community preparedness along with a commitment to safe and cost-effective wildfire response strategies. In light of this approach, we believe it is essential to maintain at least the fiscal year 2012 funding level for Hazardous Fuels Reduction and urge you to repeat your instructions in the fiscal year 2012 conference report regarding the allocation of funding to priority landscapes in both WUI and wildland settings. We also urge your support for level funding of the State Fire Assistance (SFA) program. Finally, we urge you to fund Federal wildfire suppression at the 10-year average, at a minimum, and to maintain a sufficient balance in the FLAME reserve account so that the need for funding transfers from critical non-fire programs can be reduced.

*Integrated Resource Restoration.*—We appreciate the committee's support for an Integrated Resource Restoration (IRR) pilot, which has allowed three Forest Service Regions to test an integrated budget approach. The Conservancy continues to follow implementation of this pilot; we hope and expect to see an increase in restoration outcomes as a result. The Conservancy believes it is premature to take this pilot national, but supports continuation of the pilot for a third year. We understand that plans are underway for an external third-party review of IRR implementation. We strongly support this review as a way to capture lessons learned and determine whether full implementation is warranted.

*Legacy Road and Trail Remediation.*—Roads are a key source of threats to water quality and watershed health. Despite recent progress in the number of roads repaired and decommissioned, a sizeable backlog of high priority roads and trails that degrade water quality remains. We recommend that Legacy Roads and Trails be funded at the fiscal year 2012 enacted level to ensure that these actions are taken in a timely manner to protect our critical watersheds.

*Sage Grouse Conservation.*—The Conservancy supports the President's fiscal year 2014 budget request of \$15 million for the Bureau of Land Management's (BLM's) focus on sage grouse conservation. Greater sage grouse populations have experienced a precipitous decline across the West in recent years due to a number of impacts.

*New Energy Frontier and BLM Regional Planning.*—The Conservancy supports the administration's recommended fiscal year 2014 funding for DOI's "New Energy Frontier" which includes an additional \$26.4 million more than 2012 enacted levels (\$99.9 million total) for advancing responsible renewable energy development, and \$71 million (\$771.6 million total) for improving conventional energy development. This program provides important funding not only for advancing domestic, low carbon, renewable energy production but also for increasing the safety and environmental performance of renewable and conventional energy development.

*Environmental Protection Agency.*—TNC acknowledges that reductions in EPA's budget are necessary to support national deficit reduction. However, Congress should remain mindful of the relatively small size of EPA's discretionary budget as



it considers where additional budget cuts should occur Governmentwide. We also continue to support the allocation of sufficient funds for innovative strategic planning programs like the Healthy Watersheds Initiative, which embraces a whole-system planning approach to water resource management. This program should be endorsed as a means to enable Federal and State programs to protect and restore freshwater habitats at large scale through more bang-for-the-buck actions.

Thank you for the opportunity to present The Nature Conservancy's recommendations for the fiscal year 2014 Interior, Environment, and Related Agencies appropriations bill.

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PREPARED STATEMENT OF THE TRUST FOR PUBLIC LAND

Chairman Reed, Ranking Member Murkowski, and distinguished members of the subcommittee: Thank you for the opportunity to submit testimony on behalf of The Trust for Public Land in support of programs under your jurisdiction for the fiscal year 2014 appropriations process. The Trust for Public Land (TPL) is a national nonprofit land conservation organization working to protect land for people in communities across the Nation. We are extremely grateful for the support members of this subcommittee and other conservation leaders in Congress have shown for Federal conservation programs during these challenging fiscal times. We recognize that the subcommittee will again face enormous challenges in meeting the broad range of priority needs in the Interior, Environment, and Related Agencies bill this year. But we believe the American people support continued investments in conservation, even during a time of economic challenge, as evidenced by polls and results in various ballot initiatives and questions in November 2012, where 53 of 68 measures passed creating nearly \$800 million in new State and local funding for conservation.

These ballot initiatives reflect the very essence of conservation in the 21st century: collaborative, leveraged, partnership-based, and locally supported. Federal funding is an absolutely critical part of the conservation toolbox and provides manifold benefits to the American people. Given the limited public conservation funding at all levels of Government, TPL works to leverage Federal conservation dollars, bringing to bear private philanthropic support as well as State and local funding to forge workable solutions to complex conservation funding challenges.

We are especially grateful for your recognition that funding for programs like the Land and Water Conservation Fund (LWCF) is a worthwhile investment. TPL respectfully requests that you continue this commitment by supporting the President's budget request for fiscal year 2014 for LWCF of \$600 million. This amount includes \$356.2 million for Federal land purchases, \$60 million for grants to States for parks and outdoor recreation, \$84.8 million for the Forest Legacy Program and \$84 million for the Cooperative Endangered Species Conservation program, and \$15 million for the Urban Park and Recreation Recovery program (UPARR). Continued investment in this suite of LWCF programs is essential and TPL is ready to work with the subcommittee to ensure that dollars invested are well spent on our most urgent needs. We urge you to also support the President's budget requests for the North American Wetlands Conservation Act (NAWCA) and the Community Forest Program.

LAND AND WATER CONSERVATION FUND

For almost 50 years the Land and Water Conservation Fund has been the cornerstone that sustains our Federal public lands heritage and remains today a compelling and urgently needed program. When Congress created LWCF in 1964, it sought to ensure that land conservation would receive funds every year by dedicating certain revenues. For most of its history, the major source of LWCF funds has been revenues from offshore oil and gas development in Federal waters. LWCF activities neither require nor are designed to receive taxpayer dollars. This arrangement is built on the principle that the revenues generated from energy development and natural resource depletion should be used for the protection of other natural resources such as parks, open space, and wildlife habitat for the benefit of current and future generations of Americans. TPL believes that this principle remains a sound one and that the American public supports using this very small percentage of OCS receipts—which annually average more than \$6 billion—as a conservation offset.

The fiscal year 2014 budget proposes \$600 million for the Land and Water Conservation Fund, with \$400 million from discretionary sources and \$200 million in mandatory funds. The budget anticipates providing the full \$900 million that is authorized by Congress in mandatory funds in future fiscal years. Since the beginning of the LWCF program, more than \$18 billion of funds intended for conservation purposes from OCS receipts have been diverted for unrelated purposes. The President's fiscal year 2014 proposal encourages honest budgeting for LWCF and ensures that

its multiple benefits to natural resources, the national and local economies, and outdoor recreation will be felt by the American people.

*Federal Land Acquisitions.*—Every year tens of millions of Americans, as well as international visitors to our country, visit our public lands. Federal funding of land acquisition ensures that the public can access lands for these recreational and educational purposes. If accessible properties are instead sold for development or subdivision, there is no guarantee that the public will be able to enjoy the nearby public lands. Purchase can also enhance the quality of recreational experiences, encouraging greater public participation and use, and in some cases resolve public land management issues and achieve cost savings. There is a clear economic impact from these activities. A 2011 Federal interagency study determined that 90 million people annually spend \$144.7 billion on fishing, hunting and wildlife watching alone. These activities and others have significant ripple effects. The Outdoor Industry Foundation estimates that active outdoor recreation contributes \$646 billion annually to the U.S. economy, supports nearly 6.1 million jobs across the United States, and generates \$39.9 billion in annual national tax revenue.

Among the recreation destinations whose economic and natural resource values might be significantly compromised without sufficient LWCF funding in fiscal year 2014 are numerous outdoor recreation and natural resource protection projects in the national forests of California, New Mexico, Washington and Colorado, at the California Coastal National Monument, where continued acquisition will connect visitors to 2 miles of the Pacific coast, and along the Pacific Crest Trail in Washington State.

Incompatible development within established Federal units is a continuing concern for the public and for public land managers, and we have found that private landowners of inholdings and edgeholdings are open to and quite often seek a conservation solution. Faced with uncertainty about the availability of Federal land acquisition dollars, however, many landowners find that they cannot afford to wait on a win-win outcome. Adequate and timely acquisition of inholdings through the LWCF is critical to efforts to protect the Nation's public lands heritage when these time-sensitive acquisition opportunities arise. Often the window for a conservation outcome is narrow, and the availability of LWCF funds ensures that landowners can sell their properties in a timely manner. For instance, important conservation properties are available for a limited time at Crooked National Wild and Scenic River in Oregon, the new Valle de Oro National Wildlife Refuge in New Mexico—where LWCF funds have leveraged more than twice that amount in other funding, Red Cliffs National Conservation Area in Utah, and the Tahoe National Forest in California. In addition, a number of partially completed projects at Santa Monica Mountains National Recreation Area and Saguaro National Park, and the Carson, Uncompaghre and Superior national forests await further funding to be completed and are included in the fiscal year 2014 President's budget request. Recent funding levels for LWCF have been insufficient to allow agencies to complete these projects in a timely fashion and we urge your support for funding levels in fiscal year 2013 that address these needs.

We also urge the subcommittee to consider fully the urgent need for funding for Civil War Sesquicentennial units, national trails, and priority recreational access projects as proposed in the fiscal year 2014 President's budget for the National Park Service, Fish and Wildlife Service, and Forest Service. TPL has pending projects eligible under each of these categories and stands ready to provide information to the subcommittee to support these categorical line item requests.

As the subcommittee evaluates the myriad programmatic needs and measures for making programs more efficient for the fiscal year 2014 Interior, Environment, and Related Agencies appropriations bill, we look forward to working with you and your staff to ensure that funds are spent wisely on strategic and urgent conservation priorities.

*National Park Service LWCF Grants.*—Since 1965, the State and local assistance grant program has provided 41,000 grants to States and local communities for park protection and development of recreation facilities. This program reaches deep into communities across our Nation, supporting citizen-led efforts to conserve places of local importance. These funds were an essential part of land protection in Maine's famed 100-Mile Wilderness, the northernmost and wildest stretch of the Appalachian Trail. Most recently, TPL worked with the State of Tennessee to add 1,388 acres to the popular Cumberland Trail, extending it by 19 miles, using State LWCF grant funding. To meet needs such as these as they continue to arise in all 50 States and in U.S. territories, we urge you to fund this program at \$60 million.

*Urban Park and Recreation Recovery Program.*—The President's budget for fiscal year 2014 proposes \$15 million to re-establish the Urban Park and Recreation Recovery program (UPARR). This program has not received appropriations since 2002.

Funding UPARR would enable the National Park Service to issue competitive grants for increasing recreational opportunities at parks in urban areas across the country. The residents of cities and urbanized counties often lack the availability of parks and green spaces that are safe and close-to-home. This proposed targeting of funds to areas most in need of new and rehabilitated parks will help address the health threats many Americans—especially children—are now facing due to lack of access to parks. TPL is the Nation's only national land conservation organization working to create parks in cities across the Nation, and we strongly support the Department of the Interior's fiscal year 2014 budget proposal for UPARR. With our extensive experience creating parks for people nationwide, we see this type of program as meeting a critical need in the places where most people live, work and recreate. For example a UPARR grant to the city of Newark in 2001 for the Mildred Helms Park leveraged significant community investment and involvement that continues today. This experience can be replicated in cities throughout the nation, and we urge your support for this renewed investment in cities.

#### U.S. FOREST SERVICE—FOREST LEGACY PROGRAM

The Forest Legacy Program provides extraordinary assistance to States and localities seeking to preserve important working forests. Since its inception in 1990, the Forest Legacy Program has protected more than 2 million acres of forestland together with over \$630 million in non-Federal matching funds. For fiscal year 2014, the President's budget recommends projects that provide multiple public benefits that derive from forests—clean water, wildlife protection, climate change adaptation and mitigation, public access to recreation, economic development and sustainable forestry. The Forest Legacy Program has been very effective over its short history, leveraging a dollar for dollar match to Federal funds, well more than is required under the program. The Trust for Public Land urges your continued support for sustained investment in this strategic conservation program. Included in the fiscal year 2014 budget are four projects where we are working in partnership with the States of Maine, Colorado, New Mexico, and California to protect recreation access for snowmobilers and hikers, ensure jobs in the woods, buffer important Federal and State conservation areas and provide strategic land conservation that fits a larger goal.

#### U.S. FISH AND WILDLIFE SERVICE—LAND CONSERVATION GRANT PROGRAMS

We are grateful for the subcommittee's historic support for U.S. Fish and Wildlife Service grant programs, including the Cooperative Endangered Species Conservation Fund—which leverages State and private funds and has protected threatened and endangered species habitat across the Nation. In fiscal year 2012, TPL successfully worked with the States of Wisconsin, California, and Texas to protect species habitat. We also urge your support for program funding at the President's budget level of \$84 million in fiscal year 2014. The North American Wetlands Conservation Act (NAWCA) provides much-needed matching grants to carry out wetlands conservation, restoration and enhancement projects. We urge the subcommittee to provide the President's budget request of \$39.4 million.

#### U.S. FOREST SERVICE—COMMUNITY FOREST PROGRAM

Last but not least, we urge your continued support for the Community Forest Program (CFP) which has received appropriations since fiscal year 2010. The Forest Service awarded its first grants, totaling nearly \$4 million, in fiscal year 2012 for community forest projects in eight States. This program complements existing conservation programs by helping local communities and tribes identify, purchase, and manage important forestlands that are threatened with development. These locally led efforts can be tailored to the needs of each community, from timber revenue for local budgets to recreation access and outdoor education. Every Federal dollar from CFP is evenly matched by funding from State, local, and private sources. The response to the first grant round was substantial and the program has generated significant interest from local entities concerned about the future of their close-to-home forests. Given the strong interest in community forests from coast to coast, we urge you to include the President's budget level for CFP of \$4 million in the fiscal year 2014 bill.

Thank you again for the opportunity to submit this testimony. The programs highlighted in my testimony are critical to the future of conservation at the local, State and Federal levels, reflect the continued demand on the part of the American people for access to outdoor recreation, help sustain our economy and reflect the true partnership that exists in Federal conservation efforts. As ever, we are deeply thankful for the subcommittee's recognition of the importance of these programs and

urge you to maintain robust funding for them in the fiscal year 2014 Interior, Environment, and Related Agencies bill. Thank you for help and support, and for your consideration of our requests.

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PREPARED STATEMENT OF THE WILDLIFE SOCIETY

The Wildlife Society appreciates the opportunity to provide testimony on the fiscal year 2014 budget for the Department of the Interior, Environment, and Related Agencies. The Wildlife Society was founded in 1937 and is a nonprofit scientific and educational association representing nearly 11,000 professional wildlife biologists and managers, dedicated to excellence in wildlife stewardship through science and education. Our mission is to represent and serve the professional community of scientists, managers, educators, technicians, planners, and others who work actively to study, manage, and conserve wildlife and habitats worldwide. The Wildlife Society is committed to strengthening all Federal programs that benefit wildlife and their habitats on agricultural and other private land.

U.S. FISH AND WILDLIFE SERVICE

The State and Tribal Wildlife Grants Program is the only Federal program that supports States in preventing wildlife from becoming endangered. It is also the primary program supporting implementation of State Wildlife Action Plans, which detail conservation actions needed on the ground in every State to keep common species common. Funding assistance for these State wildlife agencies is one of the highest priority needs for wildlife in order to prevent further declines in at-risk species in every State. Although we appreciate the President's request for level funding from fiscal year 2013, previous budget reductions and sequestration have had a serious and disproportionate impact on State and Tribal Wildlife Grants. As such, we recommend Congress appropriate \$70 million for State and Tribal Wildlife Grants in fiscal year 2014. We also ask that Congress not shift additional funds directed to States through formula grants to a competitive allocation. This funding is critical for maintaining wildlife diversity programs at the State level and a further reduction in the formula grants may have dramatic consequences.

The Cooperative Alliance for Refuge Enhancement (CARE) is a diverse coalition of 22 wildlife, sporting, conservation, and scientific organizations representing over 14 million members and supporters. A comprehensive analysis by CARE determined the National Wildlife Refuge System needs \$900 million in annual operations funding to properly administer its nearly 150 million acres, educational programs, habitat restoration projects, and much more. Many years of stagnant budgets have increased the Operations and Maintenance backlog; refuge visitors often show up to find visitor centers closed, hiking trails in disrepair, and habitat restoration programs eliminated. Invasive plant species are taking over on refuges, requiring \$25 million per year to treat just one-third of its acreage, and illegal activities such as poaching are on the rise, requiring an additional 209 officers (\$31.4 million) to meet law enforcement needs. We urge Congress to match the President's request and provide \$499.2 million in fiscal year 2014 for the Operations and Maintenance of the National Wildlife Refuge System.

The North American Wetlands Conservation Act is a cooperative, nonregulatory, incentive-based program that has shown unprecedented success in restoring wetlands, waterfowl, and other migratory bird populations. This program has remained drastically underfunded despite its demonstrated effectiveness. We support the President's request of \$39.5 million and encourage Congress to match this request for fiscal year 2014.

The Neotropical Migratory Bird Conservation Act Grants Program supports partnership programs to conserve birds in the United States, Latin America and the Caribbean, where approximately 5 billion birds representing 341 species spend their winters, including some of the most endangered birds in North America. To achieve success, this program should be funded at or more than \$6.5 million. However, recognizing the current fiscal climate, The Wildlife Society recommends Congress maintain level funding for the Neotropical Migratory Bird Conservation Act at \$3.78 million in fiscal year 2014.

The Wildlife Society supports adequate funding levels for all subactivities within the Endangered Species Program. Endangered species recovery efforts can ultimately lead to delisting, resulting in significant benefits to species through State management efforts. FWS, with the help Federal and State agency partners has been working to implement new strategies to increase the efficiency and effectiveness of this program and to reduce the regulatory burden on private landowners and industry partners. To support these actions and the increased emphasis on consulta-

tion and recover, we recommend Congress match the President's request for the Endangered Species Program and provide \$185.45 million in funding in fiscal year 2014.

The voluntary Partners for Fish and Wildlife Program (PFW) provides financial and technical assistance to private landowners across the country to restore degraded habitat and to safeguard against potential regulatory burdens associated with endangered species listings. With more than two-thirds of our Nation's lands held as private property, and up to 90 percent of some habitats lost, private lands play a key role in preserving our ecosystems. For example, working under a new MOU with the Natural Resource Conservation Service, PFW has been critical in engaging private landowners to restore and maintain habitat for the greater-sage grouse in States like Idaho and Nevada; potentially removing the need for a future listing. We urge Congress to provide \$60 million in support of PFW Program in order to allow landowners to help contribute to land and wildlife preservation.

Through its International Affairs office, FWS works with many partners and countries in the implementation of international treaties, conventions, and projects for the conservation of wildlife species and their habitats. International trade, import, and transportation of wildlife species can have a huge impact on America's security, economy, and environment. Careful regulation of imports and implementation of international policies is an important task. We ask Congress to match the President's request of \$13.5 million in support of FWS International Affairs.

#### BUREAU OF LAND MANAGEMENT

BLM lands support more than 3,000 species of wildlife, more than 300 federally proposed or listed species, and more than 1,300 sensitive plant species. Historically, the Wildlife and Fisheries Management (WFM) and the Threatened and Endangered Species Management (TESM) programs have been forced to pay for the compliance activities of BLM's energy, grazing, and other non-wildlife related programs, eroding both their ability to conduct proactive conservation activities and their efforts to recover listed species. Given the significant underfunding of the BLM's wildlife programs, combined with the tremendous expansion of energy development across the BLM landscape, we recommend Congress appropriate \$55 million for BLM Wildlife Management. This will allow BLM to maintain and restore wildlife and habitat by monitoring habitat conditions, conducting inventories of wildlife resources, and developing cooperative management plans. We support the proposed increase of \$15 million for sage grouse conservation efforts; this kind of broad-scale, landscape based conservation is exactly what is needed to manage and conserve sage grouse across their range.

Increased funding is also needed for the Threatened and Endangered Species Management Program, to allow BLM to meet its responsibilities in endangered species recovery plans. BLM's March 2001 Report to Congress called for a doubling of the Threatened and Endangered Species budget to \$48 million and an additional 70 staff positions over 5 years. This goal has yet to be met. In light of this, we strongly encourage Congress to increase overall funding for BLM's endangered species program to \$33 million in fiscal year 2014.

The Wildlife Society appreciates the commitment of BLM to addressing the problems associated with Wild Horse and Burro Management. We support the requested increase of \$2 million for implementation of the National Academy of Sciences recommendations and findings and continued research and development on contraception and population control. However, with more than 10,000 horses above Appropriate Management Levels on the range and over 50,000 horses in off-site long- and short-term holding facilities The Wildlife Society is concerned about BLM's emphasis on fertility control alone. The current language limiting the use of humane euthanasia for unwanted or unadoptable horses should be removed to allow BLM to use all necessary management tools to bring populations of on- and off-range wild horses and burros within manageable range and additional funding should be requested to correct the habitat damage that has occurred due to overpopulation of these animals. The requested \$77.245 million should be provided to BLM if they continue removing excess horses from the range at a reasonable rate and focus additional resources on habitat restoration.

#### U.S. GEOLOGICAL SURVEY

The basic, objective, and interdisciplinary scientific research that is supported by the USGS is necessary for understanding the complex environmental issues facing our Nation today. This science will play an essential role in the decisionmaking processes of natural resource managers, and it will help protect our water supply and conserve endangered species. More investment is needed to strengthen USGS

partnerships, improve monitoring, produce high-quality geospatial data, and deliver the best science to address critical environmental and societal challenges. The Wildlife Society supports funding of at least \$1.2 billion for USGS in fiscal year 2014.

The Ecosystems Program of USGS contains programmatic resources for fisheries, wildlife, environments, invasive species and the Cooperative Fish and Wildlife Research Unit. The Ecosystems unit strives to maximize research and support for comprehensive biological and ecosystem based needs. The Wildlife Society supports the President's request of \$180.77 million for USGS's Ecosystems Department in fiscal year 2014. Within Ecosystems, we support the request of \$50.78 million for the Wildlife Program. Additionally, we appreciate the requested addition of \$1.5 million to support research and surveillance of White Nose Syndrome and of \$2 million for research on the impacts of future energy development on wildlife sustainability.

The Cooperative Fish and Wildlife Research Units (CFWRUs) are managed under the Ecosystems Department and conduct research on renewable natural resource questions, participate in the education of graduate students, provide technical assistance and consultation on natural resource issues, and provide continuing education for natural resource professionals. In fiscal year 2001, Congress fully funded the CFWRUs, allowing unit productivity to rise to record levels. Since then, budgetary shortfalls have continued to cause an erosion of available funds, resulting in a current staffing vacancy of nearly one-quarter of the professional workforce. In order to fill current vacancies, restore seriously eroded operational funds for each CFWRU, and enhance national program coordination, the fiscal year 2014 budget for the CFWRUs should be increased to \$22 million. This would restore necessary capacity in the CFWRU program and allow it to meet the nation's research and training needs.

The Wildlife Society appreciates the fiscal year 2013 funding of \$25.5 million for the National Climate Change and Wildlife Science Center. This center plays a pivotal role in addressing the impacts of climate change on fish and wildlife by providing essential scientific support. In order for this role to be fully realized, The Wildlife Society recommends that Congress fund the National Climate Change and Wildlife Science Center at the requested \$35.3 million in fiscal year 2014.

#### U.S. FOREST SERVICE

Our national forests and grasslands are essential to the conservation of our Nation's wildlife and habitat, and are home to about 425 threatened and endangered, and another 3,250 at-risk species. In fiscal year 2011, the Forest Service combined several programs and budgets, including Vegetation and Watershed Management, Wildlife and Fisheries Habitat Management, and Forest Products into a single Integrated Resource Restoration activity budget. We continue to be concerned with this merger because it makes accountability to stakeholders and Congress more difficult. However, with these reservations noted, we urge Congress to support the request of \$757 million for the Integrated Resource Restoration program in fiscal year 2014.

Integral to management of our natural resources is a deep understanding of the biological and geological forces that shape the land and its wildlife and plant communities. The research being done by the USFS is at the forefront of science, and essential to improving the health of our Nation's forests and grasslands. Furthermore, it will play a key role in developing strategies for mitigating the effects of climate change. We urge Congress to match the President's request of \$310 million in fiscal year 2014 for Forest and Rangelands to support this high-quality research.

Thank you for considering the recommendations of wildlife professionals.

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#### PREPARED STATEMENT OF THE USGS COALITION

*Summary.*—The USGS Coalition appreciates the opportunity to provide testimony about the fiscal year 2014 budget for the United States Geological Survey (USGS). The fiscal year 2014 budget request includes \$1.167 billion for the USGS. This level represents an increase of \$98.8 million above the fiscal year 2012 enacted level. This funding level represents a modest increase for one of the Nation's premiere scientific research agencies.

The USGS is uniquely positioned to provide information and inform responses to many of the Nation's greatest challenges. The USGS plays a crucial role in assessing water quality and quantity; reducing risks from earthquakes, tsunamis, floods, landslides, wildfires, and other natural hazards; providing emergency responders with geospatial data to improve homeland security; assessing mineral and energy resources (including rare Earth elements and unconventional natural gas resources); and providing the science needed to manage our ecosystems and combat invasive

species that can threaten natural and managed environmental systems and public health.

The USGS Coalition is an alliance of over 70 organizations united by a commitment to the continued vitality of the United States Geological Survey to provide critical data and services. The Coalition supports increased Federal investment in USGS programs that underpin responsible natural resource stewardship, improve resilience to natural and human-induced hazards, and contribute to the long-term health, security, and prosperity of the Nation.

#### ESSENTIAL SERVICES FOR THE NATION

Established by Congress as a branch of the Department of the Interior in 1879, the U.S. Geological Survey has a national mission that extends beyond the boundaries of the Nation's public lands to positively impact the lives of all Americans. The USGS plays a crucial role in protecting the public from natural hazards, assessing water quality and quantity, providing geospatial data, and conducting the science necessary to manage our Nation's living, mineral, and energy resources. Through its offices across the country, the USGS works with partners to provide high-quality research and data to policymakers, emergency responders, natural resource managers, civil and environmental engineers, educators, and the public. A few examples of the USGS' valuable work are provided below.

The Survey collects scientific information on water availability and quality to inform the public and decisionmakers about the status of freshwater resources and how they are changing over time. During the past 130 years, the USGS has collected streamflow data at over 21,000 sites, water-level data at over 1 million wells, and chemical data at over 338,000 surface-water and groundwater sites. This information is needed to effectively manage freshwaters—both above and below the land surface—for domestic, public, agricultural, commercial, industrial, recreational, and ecological purposes.

The USGS plays an important role in reducing risks from floods, wildfires, earthquakes, tsunamis, volcanic eruptions, landslides, and other natural hazards that jeopardize human lives and cost billions of dollars in damages every year. Seismic networks and hazard analyses are used to formulate earthquake probabilities and to establish building codes. USGS monitors volcanoes and provides warnings about impending eruptions that are used by aviation officials to prevent planes from flying into volcanic ash clouds. Data from the USGS network of stream gages enable the National Weather Service to issue flood and drought warnings. The bureau and its Federal partners monitor seasonal wildfires and provide maps of current fire locations and the potential spread of fires. USGS research on ecosystem structure informs fire risk forecasts.

USGS assessments of mineral and energy resources—including rare Earth elements, coal, oil, unconventional natural gas, and geothermal—are essential for making decisions about the Nation's future. The Survey identifies the location and quantity of domestic mineral and energy resources, and assesses the economic and environmental effects of resource extraction and use. The agency is mapping domestic supplies of rare Earth elements necessary for widespread deployment of new energy technologies, which can reduce dependence on foreign oil and mitigate climate change. The USGS is the sole Federal source of information on mineral potential, production, and consumption.

USGS science plays a critical role in informing sound management of natural resources on Federal and State lands. The USGS conducts research and monitoring of fish, wildlife, and vegetation—data that informs management decisions by other Interior bureaus regarding protected species and land use. USGS science is also used to control invasive species and wildlife diseases that can cause billions of dollars in economic losses. The Survey provides information for resource managers as they develop adaptive management strategies for restoration and long-term use of the Nation's natural resources in the face of environmental change.

Research conducted by the USGS is vital to predicting the impacts of land use and climate change on water resources, wildfires, and ecosystems. The Landsat satellites have collected the largest archive of remotely sensed land data in the world, allowing for access to current and historical images that are used to assess the impact of natural disasters and monitor global agriculture production. The USGS also assesses the Nation's potential for carbon sequestration. Other Interior bureaus use USGS research on how climate variability affects fish, wildlife, and ecological processes to inform natural resource management decisions.

## FUNDING SHORTFALL

Over the years, Congress has worked in a bipartisan fashion to restore damaging budget cuts proposed by administrations from both parties. These efforts have paid dividends and helped the USGS continue to provide answers to the challenging questions facing decisionmakers across the country.

A major challenge currently facing the USGS is budget sequestration. Not only has the agency's budget been cut by \$61 million, but the USGS faces further funding reductions as other Federal agencies scale back reimbursable activities, which represent roughly \$400 million of USGS' annual operating budget.

Among the sequestration-induced impacts to USGS science:

- USGS will stop delivering stream flow information from its national stream gauge network. This will hinder informed decisionmaking, but is less costly than turning off the stream gauges and losing data altogether.
- Maintenance of real time status of stream gauges and seismic networks will diminish, potentially resulting in data gaps.
- Decreased monitoring of volcanoes and delayed warnings about volcanic activity. The Federal Aviation Administration relies upon this information to route planes safely in Alaska and elsewhere.
- Fewer early warnings will be issued about emerging wildlife diseases. This could jeopardize natural resource managers' abilities to respond to threats in a timely manner.
- Energy assessments will take longer to be completed. These delays could slow economic development and the Nation's efforts to utilize more domestic energy.

The USGS has also implemented a hiring freeze, disallowed overtime, and cancelled all training and non-essential travel. Contracts and grants are being reviewed internally to determine the feasibility of delay, re-scoping, or termination.

Employee furloughs of up to 9 days are also possible. The employees of the USGS are hardworking and committed individuals dedicated to serving the American public. They routinely work in harsh conditions and with limited resources. Unpaid furloughs threaten to further diminish employee morale.

In addition, USGS suspended employee attendance at 27 conferences in February, March, and April. Although this may save money in the short term, scientists must be able to exchange ideas and information freely. Scientific conferences are a highly productive mechanism for the transfer of information among scientists and engineers.

USGS has identified ways to cope with its diminished budget in the short term, but the agency's ability to deliver science over the long-term is in jeopardy. We are especially concerned about long-term data sets, as information gaps cannot be filled later.

The USGS is a science agency. Much of its budget is dedicated to salaries and equipment that must be maintained and updated to ensure the continuity of data acquisition and to ensure that the data gathered are reliable and available for future scientific investigations. We believe that the leadership of the USGS is doing all it can, and has been for a number of years, to contain costs while continuing to deliver high quality science. We are concerned, however, that agency managers have few options left and that the science will soon begin to suffer.

## CONCLUSION

We recognize the financial challenges facing the Nation, but losing irreplaceable data can increase costs to society today and in the future. Data not collected and analyzed today is data lost forever. This is particularly significant for environmental monitoring systems, where the loss of a year's data can limit the scope and reliability of long-term dataset analysis. The USGS Coalition requests that Congress work to provide at least the \$1.167 billion requested by the administration for fiscal year 2014.

The USGS Coalition appreciates the subcommittee's past leadership in strengthening the United States Geological Survey. Thank you for your thoughtful consideration of our request.

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PREPARED STATEMENT OF THE UNITED STATES SECTION OF THE PACIFIC SALMON  
COMMISSION

Mr. Chairman, and honorable members of the subcommittee, I am W. Ron Allen, Chairman of the U.S. Section's Budget Committee on the Pacific Salmon Commission (PSC). The U.S. Section prepares an annual budget for implementation of the Treaty. The integrated budget details program needs and costs for Tribal, Federal,



and State agencies involved in the Treaty. Under the Bureau of Indian Affairs budget, the U.S. Section recommends that Congress:

“Fund the tribes’ program at a restored funding level of \$4,800,000 for tribal research projects and participation in the United States-Canada Pacific Salmon Treaty process, an increase of \$681,000 over fiscal year 2012 enacted level. This funding level represents status quo funding plus adjustments to meet increased obligations under the 2009–2018 Pacific Salmon Treaty Agreement. The funding for tribal participation in the United States/Canada Salmon Treaty is a line item in the BIA’s budget under the Rights Protection Implementation, Wildlife and Parks, Other Recurring Programs Area.”

Under U.S. Fish and Wildlife Service programs, the U.S. Section recommends that Congress:

“Provide base funding of \$417,000 for USFWS participation in the Treaty process, and provide funding of \$315,000 for the Pacific States Marine Fisheries Commission’s Regional Mark Center. This funding level represents an increase of \$75,000 for the Mark Center to make up for losses from other programs and allow the Mark Center to maintain the same level of service to the U.S. Section.”

This base funding for the U.S. Fish and Wildlife Service will pay for the critically important ongoing work. The funding for Pacific States Marine Fisheries Commission’s Regional Mark Center is utilized to meet Treaty requirements concerning data exchange with Canada. These program recommendations are integrated with those of the State and Federal agencies to avoid duplication of effort and provide for the most efficient expenditure of scarce funds.

A copy of the integrated U.S. Section budget justification has been made available to the committee. The budget summary justifies the funding we are recommending today. All of the funds are needed for critical data collection and research activities directly related to the implementation of the Treaty and are used in cooperative programs involving Federal, State, and Tribal fishery agencies and the Department of Fisheries in Canada. The monetary commitment of the United States is matched by the commitment of the Government of Canada.

The U.S. Section of the Pacific Salmon Commission is recommending an adjustment to the funding for the work carried out by the 24 treaty tribes that participate in the implementation of the Treaty. Programs carried out by the tribes are closely coordinated with those of the States and Federal agencies. Tribal programs are essential for the United States to meet its international obligations. Tribal programs have taken on additional management responsibilities due to funding issues with State agencies. All participating agencies need to be adequately funded to achieve a comprehensive United States effort to implement the Treaty.

We are strongly recommending maintaining base funding of \$417,000 for the U.S. Fish and Wildlife Service so the United States can maintain the critical database to implement the Treaty. We also strongly recommend funding of \$315,000 to allow continuation of work carried out by the Regional Mark Processing Center. This work, maintaining and updating a coastwide computerized information management system for salmon harvest and catch effort data as required by the Treaty, has become even more important to monitor the success of management actions at reducing impacts on ESA-listed salmon populations. Canada has a counterpart database. The database will continue to be housed at the Pacific States Marine Fisheries Commission. The U.S. Fish and Wildlife Service will contract with the PSFMC to provide this service.

Mr. Chairman, the United States and Canada established the Pacific Salmon Commission, under the Pacific Salmon Treaty of 1985, to conserve salmon stocks, provide for optimum production of salmon, and to control salmon interceptions. After more than 20 years, the work of the Pacific Salmon Commission continues to be essential for the wise management of salmon in the Northwest, British Columbia, and Alaska. For example, upriver Bright fall Chinook salmon from the Hanford Reach of the Columbia River are caught in large numbers in Alaskan and Canadian waters. Tribal and nontribal fishermen harvest sockeye salmon from Canada’s Fraser River in the Strait of Juan de Fuca and in Puget Sound. Canadian trollers off of the west coast of Vancouver Island catch Washington coastal Coho salmon and Puget Sound Chinook salmon. In the Northern Boundary area between Canada and Alaska, fish from both countries are intercepted by the other country in large numbers. The Commission provides a forum to ensure cooperative management of salmon populations. In 2008, the United States and Canada successfully concluded lengthy negotiations to improve this management, including the adjustments to the coastwide abundance-based management regime for Chinook salmon and a framework for abundance based management for southern Coho populations. The agree-

ment is intended to last through 2018. The Fraser River sockeye and pink chapter to the Pacific Salmon Treaty expired in 2010 and negotiators worked out an interim arrangement while Canada's Cohen Commission completes its judicial inquiry on the Fraser River sockeye fishery. A new chapter is expected to be adopted in May.

Before the Treaty, fish wars often erupted with one or both countries overharvesting fish that were returning to the other country, to the detriment of the resource. At the time the Treaty was signed, Chinook salmon were in a severely depressed state as a result of overharvest in the ocean as well as environmental degradation in the spawning rivers. Under the Treaty, both countries committed to rebuild the depressed runs of Chinook stocks, and they recommitted to that goal in 1999 when adopting a coastwide abundance based approach to harvest management. Under this approach, harvest management will complement habitat conservation and restoration activities being undertaken by the States, tribes, and other stakeholders in the Pacific Northwest to address the needs of salmon listed for protection under the Endangered Species Act. The 2008 Chinook agreement continues these commitments. The combination of these efforts is integral to achieving success in rebuilding and restoring healthy, sustainable salmon populations.

Finally, you should take into account the fact that the value of the commercial harvest of salmon subject to the Treaty, managed at productive levels under the Treaty, supports the infrastructure of many coastal and inland communities. The value of the recreational fisheries, and the economic diversity they provide for local economies throughout the Pacific Northwest and Alaska, is also immense. The value of these fish to the 24 treaty tribes in Washington, Oregon, and Idaho goes far beyond their monetary value, to the cultural and religious lives of Indian people. A significant monetary investment is focused on salmon as a result of listings of Pacific Northwest salmon populations under the Endangered Species Act. Given the resources, we can continue to use the Pacific Salmon Commission to develop recommendations that help to ensure solutions that minimize impacts on listed stocks, especially if we are allowed to work toward the true intent of the Treaty: mutually beneficial enhancement of the shared resource.

Mr. Chairman, that concludes my written testimony submitted for consideration by your subcommittee. I want to thank the committee for the support that it has given the U.S. Section in the past. Please feel free to contact me, or other members of the U.S. Section, through the Office of the U.S. Section Coordinator to answer any questions you or committee members may have regarding the U.S. Section of the Pacific Salmon Commission budget.

SUMMARY OF TRIBAL AND FISH AND WILDLIFE SERVICE PROGRAMS UNDER THE UNITED STATES-CANADA PACIFIC SALMON TREATY

	Fiscal year 2012 enacted appropriation	Fiscal year 2014 recommendation	Increase
DEPARTMENT OF THE INTERIOR			
Bureau of Indian Affairs, Wildlife and Parks, Rights Implementation .....	\$4,119,000	\$4,800,000	\$681,000
U.S. Fish and Wildlife Service, Anadromous Fisheries .....	657,000	732,000	75,000

PREPARED STATEMENT OF UNITED TRIBES TECHNICAL COLLEGE

For 44 years, with the most basic of funding, United Tribes Technical College (UTTC) has provided postsecondary career and technical education, job training and family services to some of the most impoverished, high risk Indian students from throughout the nation. With such challenges, some colleges might despair, but we have consistently had excellent retention and placement rates and are a fully accredited institution. We are proud to be equipping our students to take part in the new energy economy in North Dakota and proud to be part of building a strong middle class in Indian Country by training the next generation of law enforcement officers, educators, medical technicians and "Indianpreneurs." We are governed by the five tribes located wholly or in part in North Dakota. We are not part of the North Dakota State college system and do not have a tax base or State-appropriated funds on which to rely. The requests of the UTTC Board for the fiscal year 2014 Bureau of Indian Education (BIE)/Bureau of Indian Affairs (BIA) are:

- One-time BIE funding to forward fund United Tribes Technical College, approximately \$3.4 million.
- \$7 million in BIE funding for UTTC for our Indian Self-Determination Act contract.

—Congressional support for a tribally administered law enforcement training center.

A few things of note about United Tribes Technical College. We have:

—Renewed unrestricted accreditation from the North Central Association of Colleges and Schools, for July 2011 through 2021, with authority to offer all of our full programs online. We have 26 Associate degree programs, 20 Certificate and three Bachelor degree programs (Criminal Justice; Elementary Education; Business Administration).

—Services including a Child Development Center, family literacy program, wellness center, area transportation, K–8 elementary school, tutoring, counseling, family and single student housing, and campus security.

—A projected return on Federal investment of 20–1 (2005 study).

—A semester retention rate of 85 percent and a graduate placement rate of 77 percent. Over 45 percent of our graduates move on to 4-year or advanced degree institutions.

—Students from 75 tribes; 85 percent of our undergraduate students receive Pell Grants.

—An unduplicated count of undergraduate degree-seeking students and continuing education students of 1,200 and a workforce of 360.

—A dual-enrollment program targeting junior and senior high school students, providing them an introduction to college life and offering high school and college credits.

—A critical role in the regional economy. Our presence brings at least \$34 million annually to the economy of the Bismarck region. A North Dakota State University study reports in that the five tribal colleges in North Dakota made a direct and secondary economic contribution to the State of \$181,933,000 in 2012.

*Positioning Our Students for Success.*—UTTC is dedicated to providing American Indians with postsecondary and technical education in a culturally diverse environment that will provide self-determination and economic development for all tribal nations. This means offering a rich cultural education and family support system which emphasizes enhancement of tribal peoples and nations, while simultaneously evaluating and updating our curricula to reflect the current job market. The ramifications of the North Dakota Bakken oil boom are seen throughout the State. We saw the need for more certified welders in relation to the oil boom and so expanded our certified welding program. We are now able to train students for good paying, in-demand welding jobs. Similarly, our online medical transcription program was designed to meet the growing need for certified medical support staff. Other courses reflect new emphasis on energy auditing and Geographic Information System Technology.

We are in the midst of opening up a distance learning center in Rapid City, South Dakota, where there are some 16,000 American Indians in the area. We are also working toward establishment of an American Indian Specialized Health Care Training Clinic.

We also understand the importance of culturally and legally competent law enforcement on Indian reservations. Our Criminal Justice program offers 2- and 4-year degrees, and prepares graduates for employment as Federal, State or tribal law enforcement, correction, parole and probation, and transportation safety officers; victim advocates; U.S. Customs, Homeland Security, Military Investigative Services and private security agents. UTTC wants to expand our endeavors to help meet the critical law enforcement need in Indian Country. Given our experience with our Criminal Justice program, our location, and our campus resources, we propose the establishment of a Northern Plains Indian Law Enforcement Academy.

*Northern Plains Indian Law Enforcement Academy.*—We appreciate that the President requested increased funding in the fiscal year 2014 budget to hire additional BIA and tribal law enforcement officers. However, we ask Congress to be more visionary than that and to seriously look at the problem of addressing crime in Indian Country with an eye toward establishment of a campus-based academy for training of law enforcement officers in the Northern Plains area of Indian Country. There are cultural and legal reasons why such training should be tribally directed in order to be appropriate for the realities of tribal communities. And with the advent of expanded tribal authorities under the Tribal Law and Order Act and the Violence Against Women Act, 2013, the need has grown. At the same time, we realize that State and national training resources have an important role in this new endeavor.

Basic law enforcement training is currently provided through the BIA's Indian Police Academy in Artesia, New Mexico. The BIA Academy can train only three classes of 50 persons annually. The BIA is depending on the basic training provided by State academies to supplement what is provided at Artesia. We firmly believe UTTC

is well positioned with regard to providing both basic and supplemental law enforcement training. An academy at UTTC would allow tribal people in the Great Plains and other nearby regions a more affordable choice of training locations, minimizing the distance and long separation of trainees from their families.

In short, the BIA should be utilizing and enhancing the resources of UTTC to make a real difference in the law enforcement capability in Indian Country. We can offer college credit to trainees, and our facilities include the use of a state-of-the-art crime scene simulator. Maintaining safe communities is a critical component of economic development for our tribal nations, and local control of law enforcement training resources is a key part of that effort.

We are well positioned to continue to be an integral part of building a strong middle class in Indian Country but we face challenges including lack of reliable, on-time BIE funding.

*Forward Funding.*—We have wanted BIE forward funding for some time, and our experience this past year with the continuing resolutions, sequestration and inexcusably slow and insufficient allocation of funds really brings home this issue.

There was a glitch in the fiscal year 2010 appropriations process which resulted in UTTC (and Navajo Technical College or NTC) not receiving BIE forward funding. There is authority for forward funding for tribal colleges under the Tribally Controlled Colleges and Universities Act, 25 U.S.C. 1810(b)(1) and (2). This authority applies to all colleges funded under that act, including UTTC and NTC. When the administration requested \$50 million for forward funding in its fiscal year 2010 budget, they asked for it under the line item of “tribally controlled colleges and universities”—that line item includes 27 tribally controlled colleges. However, we are funded under a different line item which is “tribal technical colleges” and thus when Congress provided the requested \$50 million for forward funding, UTTC and NTC were left out.

Forward funding requires a one-time extra appropriation of three-quarters of a year’s funding; hence, we are requesting, in addition to our regular fiscal year 2014 appropriation, \$3,397,485 to forward fund United Tribes Technical College (75 percent of \$4,529,981—the fiscal year 2012 BIE appropriation for UTTC—is \$3,397,485). The total BIE fiscal year 2012 appropriation for “tribal technical colleges” was \$6,761,165 (\$4,529,981 for UTTC and \$2,231,184 for NTC). To forward fund both institutions would require \$5,070,873 in addition to the regular fiscal year 2014 funds.

The manner of distribution of fiscal year 2013 BIE funds has been a disaster. We still do not know the precise amount we will receive for fiscal year 2013. Between having funding provided via continuing resolutions and held back due to the prospects of a sequestration, planning has been very difficult. We are particularly disturbed that the BIE allocated only 37 percent of our funding during the first 6 months of the year. The unprecedented uncertainty in terms of timing and amount of funding this past year has taken a toll. New faculty feel vulnerable because of the appropriations situation, and prospective candidates are reluctant to accept positions due to the same uncertainty. We have significantly reduced off-campus professional development activities for faculty, and held back on upgrading technology resources for our faculty and students. The oil boom in North Dakota has led to a serious housing shortage and the rates for local off-campus student housing have skyrocketed. While we have campus-based housing, it has never been sufficient to accommodate all our students and their families. Our students come from 75 tribes from around the Nation; none of them can commute from their home communities. Lack of housing has impeded our ability to accept as many students as we would like.

*Base Funding.*—UTTC administers its BIE funding under an Indian Self-Determination Act agreement, and has done so for 36 years. Funds requested above the fiscal year 2012 level are needed to: (1) maintain 100-year-old education buildings and 50-year-old housing stock for students; (2) upgrade technology capabilities; (3) provide adequate salaries for faculty and staff (who did not receive a cost of living increase this past year and who are in the bottom quartile of salary for comparable positions elsewhere); and (4) fund program and curriculum improvements.

Acquisition of additional base funding is critical as UTTC has more than tripled its number of students within the past 8 years while actual base funding for educational services, including Carl Perkins Act funding, have not increased commensurately (increased from \$6 million to \$8 million for the two programs combined). Our BIE funding provides a base level of support while allowing us to compete for desperately needed discretionary contracts and grants leading to additional resources annually for the college’s programs and support services.

*The Duplication or Overlapping Issue.*—We would like to comment on the Government Accountability Office reports of March 2011 regarding Federal programs which

may have similar or overlapping services or objectives (GAO-11-474R and GAO-11-318SP). Funding from the BIE and the DOE's Carl Perkins Act for Tribally Controlled Postsecondary Career and Technical Education were among the programs listed in the reports. The full GAO report did not recommend defunding these programs; rather, it posed the possibility of consolidation of these programs to save administrative costs. We are not in disagreement about possible consolidation of our funding sources, so long as program funds are not cut.

BIE funds represent more than half of UTTC's core operating budget. The Perkins funds supplement, but do not duplicate, the BIE funds. It takes both sources of funding to frugally maintain the institution. In fact, even these combined sources do not provide the resources necessary to operate and maintain the college. We actively seek alternative funding to assist with academic programming, deferred maintenance, and scholarship assistance, among other things. The need for postsecondary career and technical education in Indian Country is so great and the funding so small, that there is little chance for duplicative funding.

There are only two institutions targeting American Indian/Alaska Native career and technical education and training at the postsecondary level—UTTC and NTC. Combined, these institutions received less than \$15 million in fiscal year 2012 Federal operational funds (\$8 million from Perkins; \$6.7 million from the BIE). That is not an excessive amount for two campus-based institutions who offer a broad (and expanding) array of programs geared toward the educational and cultural needs of their students and who teach job-producing skills.

*Closing.*—UTTC offers services that are catered to the needs of our students, many of whom are first generation college attendees. Our BIE and Perkins funds are central to the viability of our core postsecondary programs. Very little of the other funds we receive may be used for core career and technical educational program; they are competitive, often one-time supplemental funds which help us provide support services but cannot replace core operational funding. Thank you for your consideration of our requests.

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#### PREPARED STATEMENT OF THE UNITED TRIBES TECHNICAL COLLEGE

For 44 years, with the most basic of funding, United Tribes Technical College (UTTC) has provided postsecondary career and technical education, job training and family services to some of the most impoverished, high risk Indian students from throughout the Nation. With such challenges, some colleges might despair, but we have consistently had excellent retention and placement rates and are a fully accredited institution. We are proud to be equipping our students to take part in the new energy economy in North Dakota and proud to be part of building a strong middle class in Indian Country by training the next generation of law enforcement officers, educators, medical technicians and "Indianpreneurs." We are governed by the five tribes located wholly or in part in North Dakota. We are not part of the North Dakota State college system and do not have a tax base or State-appropriated funds on which to rely. Section 117 Carl Perkins Act funds represent a significant portion of our operating budget and provide for our core instructional programs. The request of the UTTC Board for fiscal year 2014 is:

- \$10 million for base funding authorized under section 117 of the Carl Perkins Act for the Tribally Controlled Postsecondary Career and Technical Institutions program (20 U.S.C. section 2327). This is \$1.8 million above the fiscal year 2012 level. These funds are awarded competitively and are distributed via formula.
- \$30 million as requested by the American Indian Higher Education Consortium for title III-A (section 316) of the Higher Education Act (Strengthening Institutions program). This is \$5 million above the fiscal year 2012 enacted level.
- Maintain Pell grants at the \$5,635 maximum award level.

*A Few Things of Note About United Tribes Technical College.*—We have:

- Renewed unrestricted accreditation from the North Central Association of Colleges and Schools, for July 2011 through 2021, with authority to offer all of our full programs online. We have 26 Associate degree programs, 20 Certificate and 3 Bachelor degree programs (Criminal Justice; Elementary Education; Business Administration).
- Services including a Child Development Center, family literacy program, wellness center, area transportation, K-8 elementary school, tutoring, counseling, family and single student housing, and campus security.
- A projected return on Federal investment of 20-1 (2005 study).
- A semester retention rate of 85 percent and a graduate placement rate of 77 percent. Over 45 percent of our graduates move on to 4-year or advanced degree institutions.

- Students from 75 tribes; 85 percent of our undergraduate students receive Pell grants.
- An unduplicated count of undergraduate degree-seeking students and continuing education students of 1,200 and a workforce of 360.
- A dual-enrollment program targeting junior and senior high school students, providing them an introduction to college life and offering high school and college credits.
- A critical role in the regional economy. Our presence brings at least \$34 million annually to the economy of the Bismarck region. A North Dakota State University study reports in that the five tribal colleges in North Dakota made a direct and secondary economic contribution to the State of \$181,933,000 in 2012.

*Positioning our Students for Success.*—UTTC is dedicated to providing American Indians with postsecondary and technical education in a culturally diverse environment that will provide self-determination and economic development for all tribal nations. This means offering a rich cultural education and family support system which emphasizes enhancement of tribal peoples and nations, while simultaneously evaluating and updating our curricula to reflect the current job market. The ramifications of the North Dakota Bakken oil boom are seen throughout the State. We saw the need for more certified welders in relation to the oil boom and so expanded our certified welding program. We are now able to train students for good paying, in-demand welding jobs. Similarly, our online medical transcription program was designed to meet the growing need for certified medical support staff. Other courses reflect new emphasis on energy auditing and Geographic Information System Technology.

We are in the midst of opening up a distance learning center in Rapid City, South Dakota, where there are some 16,000 American Indians in the area. We are also working toward establishment of an American Indian Specialized Health Care Training Clinic.

#### FUNDING REQUESTS

*Section 117 Perkins Base Funding.*—Funds requested under section 117 of the Perkins Act above the fiscal year 2012 level are needed to: (1) maintain 100-year-old education buildings and 50-year-old housing stock for students; (2) upgrade technology capabilities; (3) provide adequate salaries for faculty and staff (who have not received a cost of living increase for the past year and who are in the bottom quartile of salary for comparable positions elsewhere); and (4) fund program and curriculum improvements.

Perkins funds are central to the viability of our core postsecondary educational programs. Very little of the other funds we receive may be used for core career and technical educational programs; they are competitive, often one-time supplemental funds which help us provide the services our students need to be successful. Our Perkins funding provides a base level of support (averaging over the past 5 years in excess of 40 percent of our core operating budget) while allowing the college to compete for desperately needed discretionary funds leading to additional resources annually for the college's programs and support services.

*Title III-A (Section 316) Strengthening Institutions.*—Among the title III-A statutorily allowable uses is facility construction and maintenance. We are constantly in need of additional student housing, including family housing. We would like to educate more students but lack of housing has at times limited the admission of new students. With the completion this year of a new Science, Math and Technology building on our South Campus on land acquired with a private grant, we urgently need housing for up to 150 students, many of whom have families.

While we have constructed three housing facilities using a variety of sources in the past 20 years, approximately 50 percent of students are housed in the 100-year-old buildings of what was Fort Abraham Lincoln, as well as housing that was donated by the Federal Government along with the land and Fort buildings in 1973. These buildings require major rehabilitation. New buildings are actually cheaper rehabilitating the old buildings that now house students.

*Pell Grants.*—We support maintaining the Pell grant maximum to at least a level of \$5,635. This resource makes all the difference in whether most of our students can attend college. As mentioned above, 85 percent of our undergraduate students are Pell grant recipients. We are glad to learn of the February 6, 2013 report of the Congressional Budget Office that the Pell grant program is currently financially healthy and can support full funding the maximum award levels for fiscal years 2013 and 2014.

## GOVERNMENT ACCOUNTABILITY OFFICE REPORT

As you know, the Government Accountability Office (GAO) in March 2011 issued two reports regarding Federal programs which may have similar or overlapping services or objectives (GAO-11-318SP of March 1 and GAO-11-474R of March 18). Funding from the Bureau of Indian Education (BIE) and the Perkins Act for Tribally Controlled Postsecondary Career and Technical Institutions were among the programs listed in the supplemental report of March 18, 2011. The GAO did not recommend defunding these or other programs; in some cases consolidation or better coordination of programs was recommended to save administrative costs. We are not in disagreement about possible consolidation or coordination of the administration of these funding sources so long as funds are not reduced.

Perkins funds represent on average over 40 percent of UTTC's core operating budget. These funds supplement, but do not duplicate, the BIE funds. It takes both sources of funding to frugally maintain the institution. Even these combined sources do not provide the resources necessary to operate and maintain the college. Therefore, UTTC actively seeks alternative funding to assist with curricula, deferred maintenance, and scholarship assistance, among other things.

We reiterate that UTTC and other tribally chartered colleges are not part of State educational systems and do not receive State-appropriated general operational funds for their Indian students. The need for postsecondary career and technical education in Indian Country is so great and the funding so small, that there is little chance for duplicative funding.

There are only two institutions targeting American Indian/Alaska Native career and technical education and training at the postsecondary level—United Tribes Technical College and Navajo Technical College. Combined, these institutions received less than \$15 million in fiscal year 2012 Federal operational funds (\$8 million from Perkins; \$7 million from the BIE). That is a very modest amount for two campus-based institutions which offer a broad (and expanding) array of training opportunities.

UTTC offers services that are catered to the needs of our students, many of whom are first generation college attendees and many of whom come to us needing remedial education and services. Our students disproportionately possess more high risk characteristics than other student populations. We also provide services for the children and dependents of our students. Although BIE and section 117 funds do not pay for remedial education services, we make this investment through other sources to ensure our students succeed at the postsecondary level.

Thank you for your consideration of our requests.

## PREPARED STATEMENT OF THE WESTERN REGIONAL AQUACULTURE CENTER

Dear Chairman Reed and members of the subcommittee: The purpose of this letter is to express concern with respect to language in the fiscal year 2014 President's budget proposing a \$400,000 reduction in funding for the U.S. Fish and Wildlife Service's Aquatic Animal Drug Approval Partnership (AADAP) program. AADAP is the Nation's only program singularly committed to obtaining U.S. Food and Drug Administration approval of aquatic animal drugs needed by fisheries professionals. AADAP provides many key services to the USFWS and its partners by providing access to needed drugs and securing drug approvals to ensure safe and effective drugs are available to treat disease, aid spawning, and facilitate field research and fisheries management activities. The proposed reduction in funding for AADAP would have a significant, negative impact on the ability of the USFWS, State natural resource agencies and commercial aquaculture. We strongly encourage full support of the AADAP at a level of \$1,790,000 in base funding. This figure represents the amount previously dedicated to the drug approval process in the Department of the Interior budget (fiscal year 2010), adjusted to fiscal year 2014 dollars.

The Western Regional Aquaculture Center (WRAC) represents aquaculture interests in the 12 Western States. The mission of WRAC is to support aquaculture research, development, demonstration and education, with the aim of increasing U.S. aquaculture production. One of the challenges to U.S. aquaculture, and particularly to aquaculture of new species, is the limited number of approved aquatic animal drugs and the length of time to obtain approval. WRAC has been supportive of research in this area and recognizes the importance of this program to this industry.

The AADAP program has been very successful in obtaining approvals for aquatic animal drugs, and attempts at cost-savings that diminish this program diminish needed Federal leadership in this area and jeopardize the success of the aquaculture industry. We strongly encourage you to continue to fully support/fund AADAP. I would also like to thank you in advance for your consideration of this issue.

## PREPARED STATEMENT OF THE WORLD WILDLIFE FUND

Chairman Reed, Ranking Member Murkowski and members of the subcommittee, I submit this testimony on behalf of World Wildlife Fund (WWF) to request your support for a number of important conservation programs within the Department of the Interior and the U.S. Fish and Wildlife Service (FWS). WWF is the largest private conservation organization working internationally to protect wildlife and wildlife habitats. WWF currently sponsors conservation programs in more than 100 countries with the support of 1.2 million members in the United States and more than 5 million members worldwide. We respectfully request that the subcommittee fund the following programs at the following levels:

- U.S. Fish and Wildlife Service Office of International Affairs at the administration's request of \$13.5 million;
- U.S. Fish and Wildlife Service Multinational Species Conservation Funds at the administration's request of \$9.8 million;
- U.S. Fish and Wildlife Service Office of Law Enforcement at the administration's request of \$68.3 million, including \$4.2 million for enforcement of the Lacey Act; and
- We also ask you to support the President's America's Great Outdoors Initiative and the administration's proposal to permanently authorize funding for the Land and Water Conservation Fund at \$900 million by fiscal year 2015.

One of my organization's top priorities, and the one I would like to focus on in my testimony, is to support efforts to curtail the global illegal trade in wildlife and other living natural resources, including timber and fish. Illicit wildlife trafficking alone is worth \$10 billion–\$20 billion per year and ranked among the top five most lucrative criminal activities worldwide. It is a serious crime with clear links to transnational organized criminal organizations and other criminal activities, such as arms and drug trafficking. Large-scale illegal trade in wildlife, driving largely by soaring demand in Asia for wildlife products, has sparked a poaching crisis that is pushing some of our most iconic species toward extinction, including elephants, tigers and rhinos. This crisis is also having a devastating impact on local communities, regional security and economic growth in the developing world, including in countries of strategic importance to the United States.

African wildlife, in particular, is under siege. Last year alone, roughly 30,000 elephants were killed illegally throughout Africa, with Central African countries being hit the hardest. In the past 10 years, the number of forest elephants in Central Africa has dropped by 62 percent, putting the species on the path to extinction in the near future. In South Africa, the number of rhinos lost to poaching jumped 5,000 percent in 5 years, with a record 668 killed for their horns in 2012. As few as 3,200 tigers remain in the wild in all of Asia, due in large part to poachers killing the animals for their skins, bones and other body parts. Several of the agencies that this subcommittee helps to fund play key roles in helping to combat these large-scale criminal activities, which rob developing countries of much needed resources, harm American businesses by flooding global markets with cheap illegal products, and threaten U.S. security interests because of their role in breeding corruption and their helping to finance organized crime, armed insurgencies and even terrorism.

## USFWS OFFICE OF INTERNATIONAL AFFAIRS

The USFWS Office of International Affairs contains the agency's Wildlife Without Borders (WWB) and International Wildlife Trade (IWT) programs, which provide critical support to on-the-ground species conservation programs. The WWB Regional program supports species and habitat conservation in priority regions, including Africa, Latin America and the Caribbean and Mexico, through capacity building, outreach, education and training. This includes training African wildlife professionals to combat the bushmeat trade and working to bolster wildlife laws and increase enforcement capacity in African countries. The WWB Global program targets cross-cutting, global threats to wildlife, support signature initiatives to maximize long-term impact, and address declines of critically endangered species, such as amphibians. It also fulfills USFWS mandates to support U.S. leadership through wildlife statutes and international treaties, such as NAFTA, the Ramsar Convention on Wetlands of International Importance and the Convention on International Trade in Endangered Species (CITES). From 2007 to 2011, the WWB Regional and Global Programs supported more than 800 conservation projects, awarded over \$16 million in grants and leveraged an additional \$26 million in matching funds to provide education, training and outreach in support of wildlife conservation. IWT works to prevent illegal trade in wildlife and wildlife products, which not only threatens vulnerable wildlife populations but also transmits diseases and invasive species, which negatively impact public health and economic productivity in the United States—



one of the largest importers and exporters of wildlife products. IWT ensures trade is legal and does not harm species in the wild while implementing scientific and management requirements of laws and treaties for traded species and issuing 15,000–20,000 permits per year. We recommend \$13.5 million for the Office of International Affairs, as requested in the administration’s fiscal year 2014 budget request.

#### USFWS MULTINATIONAL SPECIES CONSERVATION FUNDS

Through the Multinational Species Conservation Funds (MSCF), the United States supplements the efforts of developing countries struggling to balance the needs of their human populations and endemic wildlife. These modest Federal programs, administered by the USFWS, make targeted investments in conservation of several global priority species. In 1989, Congress passed the African Elephant Conservation Act authorizing a dedicated fund in response to the threat posed to that species by rampant ivory poaching. Four more funds have since been authorized to support the conservation of Asian elephants, great apes, marine turtles, and tigers and rhinos. Each of the funds is authorized at \$5 million, with the exception of the Rhino-Tiger Conservation Fund, which was intended as a double fund to address both sets of species, and is therefore authorized at \$10 million. Appropriated funds for the programs have remained roughly 30 percent or less of the authorized level.

MSCF programs have played a critical role in saving wild populations of these species by controlling poaching, reducing human-wildlife conflict and protecting essential habitat. Rhino-Tiger Conservation Fund (RTCF) support to World Wildlife Fund (WWF) and local partners for anti-poaching, habitat restoration and rhino monitoring in Nepal helped to ensure that no rhinos were poached in that country in 2011, in spite of rising demand for rhino horn on Asian black markets and a sharp increase in the number of rhinos killed in South Africa that same year. RTCF funding is also supporting the creation and expansion of tiger reserves and protected areas in Malaysia, India and Thailand, anti-poaching and enforcement efforts in Sumatra, and research, monitoring and capacity building in countries such as Nepal, where WWF helped conduct the first ever nationwide assessment of tiger populations, distribution and prey base in 2009.

The African Elephant Conservation Fund (AfECF) is supporting improved protected area enforcement in several African countries, including hiring and training of local “ecoguards” to protect populations of elephants and other threatened wildlife. In Cameroon’s Campo Ma’an National Park, the AfECF supported a large-scale anti-poaching operation involving village and forest patrols, soldiers and game guards that flushed out four suspected poachers, including two notorious elephant poachers, and resulted in the seizure of 450 lbs of bushmeat. The Asian Elephant Conservation Fund (AsECF) has supported improved wildlife law enforcement, established elephant population monitoring systems, and helped to reduce conflicts between humans and elephants. On the Indonesian island of Sumatra, AsECF support to World Wildlife Fund has helped to establish “Flying Squads”—teams of rangers equipped with noise and light-making devices and trained elephants that drive wild elephants back into the forest whenever they threaten to enter villages. The Squads have reduced losses suffered by local communities and prevented retaliatory killings. They helped reduce elephant mortality in the Riau region by 27 percent in 2009 compared to the previous 4 years.

Since 2008, the Great Ape Conservation Fund (GACF) has been supporting conservation efforts in Virunga National Park—Africa’s oldest national park (established in 1925) which contains some of the richest biodiversity of any protected area on the continent and one of the largest populations of endangered mountain gorilla. Over the past 5 years, GACF funding has helped to improve law enforcement and training for park rangers, develop alternative fuel sources to reduce the destructive practice of charcoal creation from the park’s forests, increase aerial surveillance capacity, and grow the park’s tourist revenue through a chimpanzee habituation and tourism project that generated nearly \$1 million in 2011 alone. In the Solomon Islands of the Pacific, the Marine Turtle Conservation Fund has supported WWF conservation activities on important nesting beaches for endangered sea turtles, including turtle tagging, DNA sampling, nesting beach cleanups, hatchery construction, workshops on community-based monitoring, and active monitoring of nests during the turtles’ nesting seasons. Hatchling success has grown each year since the program began.

Not only have these programs proven remarkably successful; they have also consistently generated enormous constituent interest and strong bipartisan support in Congress. The MSCF has awarded over 2,200 grants to more than 265 organizations for conservation projects in over 75 countries, and these small grants consistently

leverage between 2 to 4 times as much in matching funds from public and private partners. From 1990 to 2011, Congress appropriated a total of \$88 million for MSCF grant programs, which generated over \$200 million in matching and in-kind contributions. Administrative costs for the program are low, and 97 percent of the appropriated funds are distributed through grants. By conserving iconic species, these programs help sustain large areas of habitat home to a rich diversity of flora and fauna. By working with local communities and improving livelihoods, they build capacity and support for conservation in the developing world, contribute to economic growth and stability, and support U.S. interests in strategically important regions of the globe. The U.S. Government has been a consistent leader in international species conservation, and the modest funding for these programs is more needed than ever in the face of the worst poaching crisis we have seen in over two decades. We recommend \$9.8 million for the Multinational Species Conservation Funds, as requested in the administration's fiscal year 2014 budget request.

#### USFWS OFFICE OF LAW ENFORCEMENT

The USFWS Office of Law Enforcement (OLE) investigates wildlife crimes, enforces regulation of wildlife trade, helps citizens comply with the law, and works with other international and U.S. Government entities to carry out its mission. OLE's 143 wildlife inspectors are the front line of defense in nearly 40 designated and non-designated ports of entry around the country including in Alaska, California, Florida, Illinois, Kentucky, Louisiana, Maryland, Montana, Tennessee, Texas and Washington. In fiscal year 2011, they processed about 179,000 declared shipments of wildlife and wildlife products worth more than \$2.8 billion. OLE's 219 special agents are expert investigators that break up smuggling rings, stop commercial exploitation of protected U.S. species, and work with States to protect U.S. game species from poaching that steals both State income and hunting and fishing opportunities. In fiscal year 2011, OLE special agents investigated more than 13,000 cases. OLE also runs the Clark R. Bavin National Fish and Wildlife Forensics Laboratory in Ashland, Oregon, which is the only lab in the world dedicated to solving wildlife crimes—a real life “Wildlife CSI.” OLE is playing a crucial role in tackling the illegal trade in endangered species, including elephants and rhinos. “Operation Crash” is a nationwide, multi-agency effort led by USFWS OLE to investigate and prosecute those involved in the black market trade of endangered rhinoceros horns. So far, the operation has resulted in 10 arrests and 9 convictions following the seizures of dozens of rhino horns and millions of dollars in assets. In spite of successes such as this one, OLE is severely underfunded to meet the rapidly growing challenges it faces, including the need to place agents at key posts around the world to assist in shutting down global wildlife smuggling rings. USFWS OLE is also responsible for enforcement of the Lacey Act, including its expansion to cover plants and plant products. The agency has yet to receive funding to carry out this additional mandate, however. Part of what makes the Lacey Act effective is the deterrent effect it has on bad operators when they see the real risk of being prosecuted or having illegal goods seized, and periodic public enforcement cases are critical to making the law work. WWF recommends \$68.3 million for the USFWS Office of Law Enforcement, including \$4.2 million for Lacey Act enforcement, as requested in the administration's fiscal year 2014 budget request.

#### AMERICA'S GREAT OUTDOORS

WWF also recommends support for the President's America's Great Outdoors (AGO) initiative, which supports Federal, State, and Tribal conservation efforts and fosters interagency collaboration for conservation. We are highly supportive of AGO programs that foster partnerships between public land managers and private landowners working toward conservation of wildlife and wildlife habitat—particularly the grasslands and wetlands of the Northern Great Plains and the resident and migratory species that depend on a healthy prairie ecosystem. We also recommend that the subcommittee support President Obama's proposal to permanently authorize funding for the Land and Water Conservation Fund (LWCF) at \$900 million by fiscal year 2015. Dedicated funding for LWCF will provide the stability public land managers need to plan for long-term and strategic investments in our shared natural resources to support wildlife, outdoor recreation and the outdoor economy.

We hope the subcommittee will consider our requests above alongside the important conservation issues that these agencies are working to address and their track record of success in doing so—in many cases with limited resources. We respectfully ask the subcommittee to fund these programs at the levels outlined above. Thank you for your consideration.

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