FOREST SERVICE BUDGET FOR FISCAL YEAR 2000

OVERSIGHT HEARING

BEFORE THE

SUBCOMMITTEE ON FOREST AND FOREST HEALTH

OF THE

COMMITTEE ON RESOURCES
HOUSE OF REPRESENTATIVES

ONE HUNDRED SIXTH CONGRESS

FIRST SESSION

FEBRUARY 23, 1999, WASHINGTON, DC

Serial No. 106–7

Printed for the use of the Committee on Resources

Available via the World Wide Web: http://www.access.gpo.gov/congress/house
or
Committee address: http://www.house.gov/resources

U.S. GOVERNMENT PRINTING OFFICE
55–182 ⇆ WASHINGTON : 1999

COMMITTEE ON RESOURCES

DON YOUNG, Alaska, *Chairman*

W.J. (BILLY) TAUZIN, Louisiana
JAMES V. HANSEN, Utah
JIM SAXTON, New Jersey
ELTON GALLEGLY, California
JOHN J. DUNCAN, JR., Tennessee
JOEL HEFLEY, Colorado
JOHN T. DOOLITTLE, California
WAYNE T. GILCHREST, Maryland
KEN CALVERT, California
RICHARD W. POMBO, California
BARBARA CUBIN, Wyoming
HELEN CHENOWETH, Idaho
GEORGE P. RADANOVICH, California
WALTER B. JONES, JR., North Carolina
WILLIAM M. (MAC) THORNBERRY, Texas
CHRIS CANNON, Utah
KEVIN BRADY, Texas
JOHN PETERSON, Pennsylvania
RICK HILL, Montana
BOB SCHAFFER, Colorado
JIM GIBBONS, Nevada
MARK E. SOUDER, Indiana
GREG WALDEN, Oregon
DON SHERWOOD, Pennsylvania
ROBIN HAYES, North Carolina
MIKE SIMPSON, Idaho
THOMAS G. TANCREDO, Colorado

GEORGE MILLER, California
NICK J. RAHALL II, West Virginia
BRUCE F. VENTO, Minnesota
DALE E. KILDEE, Michigan
PETER A. DEFAZIO, Oregon
ENI F.H. FALEOMAVAEGA, American Samoa
NEIL ABERCROMBIE, Hawaii
SOLOMON P. ORTIZ, Texas
OWEN B. PICKETT, Virginia
FRANK PALLONE, JR., New Jersey
CALVIN M. DOOLEY, California
CARLOS A. ROMERO-BARCELO, Puerto Rico
ROBERT A. UNDERWOOD, Guam
PATRICK J. KENNEDY, Rhode Island
ADAM SMITH, Washington
WILLIAM D. DELAHUNT, Massachusetts
CHRIS JOHN, Louisiana
DONNA CHRISTIAN-CHRISTENSEN, Virgin Islands
RON KIND, Wisconsin
JAY INSLEE, Washington
GRACE F. NAPOLITANO, California
TOM UDALL, New Mexico
MARK UDALL, Colorado
JOSEPH CROWLEY, New York

LLOYD A. JONES, *Chief of Staff*
ELIZABETH MEGGINSON, *Chief Counsel*
CHRISTINE KENNEDY, *Chief Clerk/Administrator*
JOHN LAWRENCE, *Democratic Staff Director*

SUBCOMMITTEE ON FOREST AND FOREST HEALTH

HELEN CHENOWETH, Idaho, *Chairman*

JOHN J. DUNCAN, JR., Tennessee
JOHN T. DOOLITTLE, California
WAYNE T. GILCHREST, Maryland
JOHN PETERSON, Pennsylvania
RICK HILL, Montana
BOB SCHAFFER, Colorado
DON SHERWOOD, Pennsylvania
ROBIN HAYES, North Carolina

ADAM SMITH, Washington
DALE E. KILDEE, Michigan
OWEN B. PICKETT, Virginia
RON KIND, Wisconsin
GRACE F. NAPOLITANO, California
TOM UDALL, New Mexico
MARK UDALL, Colorado
JOSEPH CROWLEY, New York

DOUG CRANDALL, *Staff Director*
ANNE HEISSENBUTTEL, *Legislative Staff*
JEFF PETRICH, *Minority Chief Counsel*

CONTENTS

	Page
Hearing held February 23, 1999	1
Statements of Members:	
Chenoweth, Hon. Helen, a Representative in Congress from the State of Idaho	1
Prepared statement of	2
Smith, Hon. Adam, a Representative in Congress from the State of Washington	2
Statements of witnesses:	
Dombeck, Mike, Chief, U.S. Forest Service	7
Prepared statement of	30
Lyons, James R., Under Secretary, Natural Resources and Environment, Department of Agriculture; accompanied by Francis P. Pandolfi, Chief Operating Officer, Forest Service; Vincette L. Goerl, Deputy Chief, Forest Service; Robert Lewis, Jr., Deputy Chief, Forest Service; Gloria Manning, Deputy Chief, Forest Service; Ronald E. Stewart, Deputy Chief, Forest Service; Clyde Thompson, Deputy Chief, Forest Service, and Larry Payne, Associate Deputy Chief, Forest Service	3
Prepared statement of	28

OVERSIGHT HEARING ON FOREST SERVICE BUDGET FOR FISCAL YEAR 2000

TUESDAY, FEBRUARY 23, 1999

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON FORESTS
AND FOREST HEALTH,
COMMITTEE ON RESOURCES,
Washington, DC.

The Subcommittee met, pursuant to notice, at 1:05 p.m., in Room 1334, Longworth House Office Building, Hon. Helen Chenoweth [chairwoman of the Subcommittee] presiding.

STATEMENT OF HON. HELEN CHENOWETH, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF IDAHO

Mrs. CHENOWETH. The Committee will come to order.

The Subcommittee is meeting today to hear testimony on the Forest Service budget for Fiscal Year 2000.

Under rule 4(g) of the Committee rules, any oral opening statements at hearings are limited to the chairman and the Ranking Minority Member. This will allow us to hear from our witnesses sooner and help members keep to their schedule. Therefore, if the other members do have statements they will be included in the hearing record under Unanimous Consent.

Today, we convene to discuss the President's Fiscal Year 2000 budget request for the Forest Service. To paraphrase an old saying, "Same old tax-and-spend, different Fiscal Year." It is obvious from the President's budget request that the era of big government is back with a vengeance, and nowhere in the budget is this more apparent than the request for the Forest Service which includes a laundry list of new spending initiatives.

What is even more mind-boggling is that the GAO and the IG have specified time and time again that the Forest Service is incapable of managing their fiscal and administrative affairs and, yet, the administration wants to increase their budget, their staff, and their responsibility. Where is the sense in that?

The administration has proposed a program, The Lands Legacy Initiative, to add tremendous amounts of land to the national forest system at a time when there is a huge backlog of infrastructure and maintenance needs on currently-owned lands. Where is the sense in that? The administration is attempting to deprive the Forest Service of a valuable forest health management tool that is timber sales. At a time when one third of the Nation's Federal forests are at a high risk of catastrophic wildfire, the administration is

proposing to dramatically decrease the budget for the timber sales program. Where is the sense in that?

I cannot, in good faith, support budgetary increases for an agency that has, according to the GAO, an accountability crisis, or that is concerned more with political correctness than with correct management. Nevertheless, I am willing to try to continue to work with the Forest Service and the Appropriations Committee to craft a common sense budget for the agency that responds aggressively to current forest management and agency management needs.

In light of the changes from previous years' budget requests, I have asked Under Secretary Lyons and Chief Dombeck to come before the Subcommittee to explain the Administration's proposals and to answer questions, and I hope that by the conclusion of this hearing we will have a better understanding of these proposals and the agency's funding needs.

Now I am very happy to recognize the Ranking Minority Member for any statement that he may have. I am very pleased at the fact that Mr. Adam Smith, the gentleman from Washington, will be our Ranking Minority Member. Mr. Smith.

[The prepared statement of Mrs. Chenoweth follows:]

STATEMENT OF HON. HELEN CHENOWETH, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF IDAHO

Today we convene to discuss the President's Fiscal Year 2000 budget request for the Forest Service. To paraphrase an old saying, "same old tax and spend—different fiscal year." It is obvious from the President's budget request that the Era of Big Government is back with a vengeance! And nowhere in the budget is this more apparent than the request for the Forest Service which includes a laundry list of new spending initiatives.

What's even more mind-boggling is that the GAO and the IG have testified, time and time again, that the Forest Service is incapable of managing their fiscal and administrative affairs. And, yet, the Administration wants to increase their budget, their staff, and their responsibilities. Where's the sense in that?

The Administration has proposed a program, the Lands Legacy Initiative, to add tremendous amounts of land to the national forest system at a time when there is a huge backlog of infrastructure and maintenance needs on currently owned lands. Where's the sense in that?

The Administration is attempting to deprive the Forest Service of a valuable forest health management tool—timber sales. At a time when 1/3rd of the nation's Federal forests are at a high risk of catastrophic wildfire, the Administration is proposing to dramatically decrease the budget for the timber sales program. Where's the sense in that?

I cannot, in good faith, support budgetary increases for an agency that has, according to the GAO, an accountability crisis or that is concerned more with political correctness than with correct management. Nevertheless, I am willing to work with the Forest Service and the Appropriations Committee to craft a common sense budget for the agency that responds aggressively to current forest management—and agency management—needs.

In light of the changes from previous year's budget requests, I have asked Undersecretary Lyons and Chief Dombeck to come before the Subcommittee to explain the Administration's proposals and to answer questions. I hope that by the conclusion of this hearing, we will have a better understanding of these proposals and the Agency's funding needs.

STATEMENT OF HON. ADAM SMITH, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF WASHINGTON

Mr. ADAM SMITH. Thank you, I am happy to be here.

Obviously, I have not previously served in this Subcommittee, so I am new to the Subcommittee. I have worked on some of the issues relating to forest health and other issues, most notably, the

roads program and other things that affect my home State in Washington. So I have some background, but mostly I am here to learn this morning and I want to thank Mr. Lyons and Mr. Dombeck for coming by this morning. It sounds like you have your work cut out for you.

It ought to be an interesting afternoon and I look forward to hearing your testimony and learning more about the Forest Service: what it does, its budget, and also some of the new proposals that the administration has put forward, to get a chance to judge them on their merits and see whether or not they will help our country and the Forest Service in general. But mostly I just want to learn what is going on with the Forest Service and fill in some of the gaps. So, I look forward to hearing your testimony and will probably have some questions later. Thank you.

Mrs. CHENOWETH. I will now introduce our first panel. Mr. James Lyons, Under Secretary, Natural Resources and Environment, Department of Agriculture, and Mr. Mike Dombeck, the Chief of the United States Forest Service. They will be accompanied by Mr. Francis Pandolfi, Chief Operating Officer; Vincette Goerl, Deputy Chief; Robert Lewis, Jr., Deputy Chief; Gloria Manning, Deputy Chief; Mr. Ron Stewart, Deputy Chief; Clyde Thompson, Deputy Chief, and Larry Payne, Associate Deputy Chief.

Now, since they all from time to time may be giving testimony that will become part of the record, I wonder if they could all proceed to the front and take the oath.

[Witnesses sworn.]

Mrs. CHENOWETH. Thank you very much. As we have explained before, it is the intention of the chairman to place all outside witnesses under the oath, and I know that you have all received your copies of the rules and with all of you this is a pretty familiar formality here. So, we will open now with testimony from Mr. Lyons.

STATEMENT OF JAMES R. LYONS, UNDER SECRETARY, NATURAL RESOURCES AND ENVIRONMENT, DEPARTMENT OF AGRICULTURE ACCOMPANIED BY FRANCIS P. PANDOLFI, CHIEF OPERATING OFFICER, FOREST SERVICE; VINCETTE L. GOERL, DEPUTY CHIEF, FOREST SERVICE; ROBERT LEWIS, JR., DEPUTY CHIEF, FOREST SERVICE; GLORIA MANNING, DEPUTY CHIEF, FOREST SERVICE; RONALD E. STEWART, DEPUTY CHIEF, FOREST SERVICE; CLYDE THOMPSON, DEPUTY CHIEF, FOREST SERVICE, AND LARRY PAYNE, ASSOCIATE DEPUTY CHIEF, FOREST SERVICE

Mr. LYONS. Well, thank you very much, Madam Chairman. Thank you for introducing the entire team that we brought up with us today. I also want to introduce a member of my staff, Meline Stanley, who was up here on Capitol Hill, and now serves as my confidential assistant, and has been very able help in my office. It is also a pleasure to get an opportunity to meet Congressman Smith and Congressman Udall and Congressman Udall, and have a chance to work with them in these next two years.

Madam Chairman, I would like to present a brief overview of our budget and want to simply highlight a few areas of interest and concern that I know we will have an opportunity to discuss in greater detail. In particular, what I want to do is focus on the

President's and the department's priorities in management of our rich natural resources, and also on the priorities that have been set out by Chief Dombeck through the natural resources agenda and explain ways in which ways this budget, I think, helps to bolster and amplify our efforts to focus on those elements of the agenda.

Despite differences regarding budget priorities and several environmental riders which are part of the Fiscal Year 1999 Appropriations debate, we worked hard with the Congress to develop a bill which helped the Forest Service move forward towards improved forest and ecological health and sustainability in Fiscal Year 1999. I want to thank you for your leadership in helping to bring that bill to rapid closure last year.

This year, I expect that many of the same issues that we discussed and debated will arise again. Nevertheless, I think that we are making substantive progress in moving both the Nation's forests, and the Forest Service in a direction that will help ensure our ability to be good land stewards and provide a legacy of which you and I are both going to be very proud.

First, for a brief overview, this budget proposes an overall increase in discretionary appropriations of about 6.5 percent for the Forest Service. The budget includes a healthy emphasis on basic programs necessary for managing the agency's 192 million acres of national forest land. In addition, the budget proposes a substantial increase in the research arena, $37.2 million, to enhance our ability to do the research necessary to guide us in being good land stewards and provide a scientific basis for the management decisions we make.

Finally, the budget proposes major increases in the state and private forestry programs, programs that are geared towards working cooperatively with state forestry agencies and other cooperators in areas such as fire and forest health and cooperative land stewardship.

Let me turn to the important priorities in the budget as far as the administration is concerned. As you know, the President has proposed several initiatives in the Fiscal Year 2000 budget, including a number that were first initiated as a part of our efforts in Fiscal Year 1999. The President has proposed this year a Lands Legacy Initiative which you alluded to. The largest one-year investment ever in preservation of America's lands, and the continuation in terms of priority of the Clean Water Action plan to continue to focus on priority watersheds where protection and improvement programs are so desperately needed.

The Lands Legacy Initiative, in my mind, Madam Chairman, is a bold initiative, and essential for America as we enter into the next millennium. This $1 billion program includes $217.6 million in Forest Service funding which will focus on working with states, tribes, local governments, enrolling private partners to protect great places, and serve open space for recreation and wildlife, and to preserve forest, farmlands, and coastal resources.

As the President noted in his State of the Union address, 7,000 acres of farmland and open space are lost every day. The number of tracts of forest land of 50 acres or less doubled from 1978 to 1994 as our landscape was carved into smaller and smaller pieces. Access to and the health of these lands is diminishing as a result

of this fragmentation. To address these serious concerns, the President's budget proposes to significantly increase funding of the agency's state and private forestry programs, with an increase of $80 million, or almost 50 percent over the Fiscal Year 1999 budget.

I should point out, Madam Chairman, that, in a meeting that Secretary Glickman and I had with the Natural Resources Committee of the National Governor's Association, just this past Sunday, there was remarkably strong support from all corners for efforts to protect open space and initiatives to preserve America's great places. In fact, one of the individuals who spoke at the NGA meeting was Governor Christine Todd Whitman of New Jersey, in whose State a billion dollar bond issue was passed this past election to provide the resources, tax payer financed projects, to protect open space in the most densely populated State, New Jersey.

Other governors spoke up as well as to the initiatives that have been taken by their own citizens to try and achieve similar goals. Our hope is to be able to work closely with states and local entities to help them realize their goals for protecting and preserving open space with the Lands Legacy Initiatives.

The Fiscal Year 2000 budget contains several additional initiatives and, as we proposed last year, the administration again intends to forge legislation that will stabilize payments to States, and to correct, I think, some problems we have with the 25 percent payments which now of course are linked to timber sale levels, as timber sale levels have changed over time.

Unfortunately, we have put ourselves in a situation where our children's education, and improvements in roads and rural counties are dependent upon timber sale levels. I think it is more appropriate and more beneficial for those communities to stabilize those payments by decoupling their linkage to timber sales. I think in that way we can provide predictability of payments in the States and counties can be assured of a stable base for long term funding.

The President's initiatives are fully compatible with the Chief's natural resource agenda as I mentioned, Madam Chairman. Wildlife, grazing, fire, fisheries, and other programs increased by $48.6 million to support watershed health and restoration efforts. Increased funding contained in this budget is essential to restoring and protecting watershed health. The second element of the agenda promotes sustainable forest management, proposed budget increases of over $100 million in both the research and state and private areas to support this important initiative.

Management of the national forest road system is a third component of the natural resources agenda, and with a funding increase of $22.6 million, what we hope to begin to do is better manage the expansive road system that we inherited, like INR roles in the Department and the Fire Service, so we can begin to manage that capital asset in a way that reduces impacts on the environment and continues to provide access needed for rural communities.

As you know, Secretary Glickman recently announced a new rule for road management. While this issue is very contentious, and I expect we will get a chance to talk a little bit about that today, we think it is important to reduce new road building until we are better able to manage the road system that we presently have, a sys-

tem that is large enough, I would remind you, to circle the globe 15 times.

Lastly, as a part of the natural resources agenda, the President's budget continues to provide emphasis on recreation. We are pleased with the emphasis Congress has also placed there. I know that you are very familiar with the Recreation Fee Demonstration program which has provided a needed source of funds to make investments in infrastructure. I should point out, however, that 95 percent of the recreational experiences that occur in the national forests involve use of non-fee disbursed sites, so it is equally important that we continue to get appropriated funds to provide support for the recreation program.

Let me close, Madam Chairman, by highlighting one other initiative underway which we will soon be reporting to the Subcommittee on, and that is the work that is being conducted by the committee of scientists who review the Forest Service's forest planning efforts. As you are aware, a year ago this past fall, Secretary Glickman appointed a committee of scientists. Dr. Norman Johnson of Oregon State University has headed that committee. They are close to completing the report and we have been in communication with staff of the Subcommittee to plan, at an appropriate time, hearings to highlight the outcome of their report which will serve as a basis for proposed revisions to our forest planning rules.

We think the committee's efforts will help not only to document changes in policy over time but help to amplify the need to make changes in the forest planning process, and bring more focus to efforts to ensure the ecological sustainability of the Nation's forests and rangelands.

With that, Madam Chairman, let me end my testimony. I would point out one other thing, since you mentioned in your opening statement that you thought that this was another one of those big government tax-and-spend budgets. I just want to point out that, and this has occurred, I can assure you, with quite a bit of pain, over the last six years, since I took office, the Forest Service has cut its staffing levels by nearly 20 percent. We have gone from 35,000 full-time staff down to a total work force of full-time employees of 28,000. That is a significant cut in the size of our organization and what it really means is that those who remain in the organization, who are constantly presented with new tasks and new challenges, have to work that much harder to get the job done.

So, I don't really think that it is fair to characterize this as a bloated budget, nor as an effort to expand the size and scope of the Forest Service. We have become a fairly lean and mean organization and, I think to Mike's credit, we are refocusing our efforts on the priorities that we think will make a huge difference in terms of the natural resource legacy that we are going to leave for future generations. So, thank you, Madam Chairman.

[The prepared statement of Mr. Lyons may be found at the end of the hearing.]

Mrs. CHENOWETH. Thank you, Mr. Secretary.

Now the Chair is pleased to recognize the Chief, Mr. Dombeck.

STATEMENT OF MIKE DOMBECK, CHIEF, U.S. FOREST SERVICE

Mr. DOMBECK. Thank you, Madam Chairman. Mr. Smith, Committee members, I am pleased to be here. I would ask that my entire statement be entered into the record and I will just give a brief statement to allow more time for dialogue here, this afternoon.

I have been in this job now about two years and I have got to say that it has been both a pleasure and challenge being part of the controversies, the continuing evolution in the direction of the Forest Service, and say that I appreciate some of the challenges more than ever and relate to nearly one hundred years ago with Gifford Pinchot's values and the conservation values of the Forest Service and like now, at that time, there were controversies, but the Forest Service has always stood for the long-term interests of the land and I believe that is a very important concept and I also believe that our budget focuses on the long-term health of the land for future generations.

Over the last decade, and beyond that even, there has been a significant change in how society views conservation values. Many people have ceased viewing the forest and land as a warehouse of outputs to be brought to market but are focussed on other values, values such as water, values such as outcomes on the land, and the result of the changes that we have all been part of, we often find ourselves caught in the middle of competing interests. And there are those that look to the Congress, look to you, to fix legislation to what they perceive as negatively affecting interests.

Others push to the limit the number of appeals so that the agency can get on with producing timber, or to stop producing timber, as the case may be, and depending upon their point of view, and still others ask for the Courts to resolve land use policies. But the central premise of our approach is that, by restoring and maintaining a healthy land base on public and private lands, we can assure that our children and their children's children will enjoy the benefits of land and water.

You talked about accountability and the business management side of the Forest Service, and I believe that I have had more hearings on that issue, I am sure, than any other Chief, and I want to tell you, Madam Chairman, and all the Committee members, that we have got the message. In fact, I have made it clear, through organizational changes, through personal statements, that business and financial management functions of the Forest Service are equally important to managing resources, and we are proud of the framework that has been put together, and I want to publicly acknowledge Francis Pandolfi, our Chief Operating Officer. Francis is, as you know, going home on Friday to be with his family, and Francis has really gone through significant personal sacrifice, just like all of you do with your travel schedules, to get back to your friends and family, and I am delighted with the architecture that Francis has put in place and the team that he has assembled.

I would also like to highlight the need to reform our budget structure. I want to work with Congress, with the administration, to design a budget structure that reflects the work we do in a more meaningful way, and reflects the requirements of the Results Acts Strategic Plan, and how it is tied to our natural resources agenda.

I hope that our resource policy debate does not detract from the need to streamline and modernize the Forest Service with regard to accountability and business management. I think it has in the past, because I believe what we all want is a smoothly running operation in the Forest Service, regardless of our views on business management operations. I think we owe that to the public, to the taxpayers, to those that depend upon us, because the Forest Service is an important organization that serves many people. One hundred and ninety-one million acres of national forest system lands, nearly 400,000 miles of roads, $30 billion of infrastructure, 74,000 authorized land uses, 23,000 developed recreation sites, tens of thousands of dispersed recreation sites, 35 million acres of wilderness, a world class research program, a state and private forestry program that provides assistance to private landowners, to States, and a world class wildland firefighting organization, I believe remain vitally important to the American people.

I would like to close there, Madam Chairman, and Jim and I and Ron and rest of the staff here would be happy to discuss any aspects of our program that you wish. Thank you.

[The prepared statement of Mr. Dombeck may be found at the end of the hearing.]

Mrs. CHENOWETH. Thank you very much, Chief. I appreciate your testimony.

Before I go into the questions, I do want to state, in response to a comment made by Mr. Lyons that, yes, the staff was cut by almost 20 percent, but the problem is that the new tasks and many of the new challenges are those that are coming from outside the statutory authority, and we are saddened by the fact that many of the staff that have been cut have been the foresters who really are the kind of people who manage the forest on the ground, and it is a trend that, although the numbers look good, is alarming. So, Mr. Lyons, in all fairness, would you like to respond to that?

Mr. LYONS. Well, I appreciate that, Madam Chairman. I want to point out that, and please, we have not had to fire anyone or lay anyone off. Through voluntary retirements and early-outs, we have been able to achieve the reductions we seek. I, too, am concerned about the institutional memory and the expertise in some of the program areas of the Forest Service, and something that Mike and I spent some time talking about in terms of developing the next tier of leadership, the people who will not only succeed us, but succeed the Deputy Chiefs and the Associate Deputy Chiefs and Regional Foresters and Forest Supervisors. So, we are aware of that concern. I think it is across the board, it is not just in any particular area, and we need to work hard to be able to invest in our people, which is really the key to the organization and its longstanding success.

Mrs. CHENOWETH. With regard to the questions that I want to ask, as you know, or may have been advised, I held some hearings last week in Idaho on the Targhee National Forest and the building of tank traps out there. It became a part of the record that $600,000 were spent to build these tank traps. That is very, very alarming. That, predicated on the fact that there were ten violations in the whole forest all of last year, that prompted this change in forest road policy. I say "change" because the building of tank

traps is pretty dramatic, and as both of you have testified, you are concerned about the—especially Mr. Lyons—the fact that you want a $22.6 million increase in roads. You want to make sure that your policy reduces the impacts on the environment and provides access. Well, this does exactly the opposite.

Tank traps are something that are used in war, to stop tanks. The next day, after the hearing, we took snowmobiles and went up to the tank traps. There is not one sign warning individuals who are on snowmobiles that the benign little jump that they see on one side has a 15-foot drop on the other side. We have a county commissioner that broke his back, not realizing there was a tank trap there. I mean, the liability for individuals and for the agency, is tremendous.

Now, I am angered and upset about the tank traps, and I want to find out a little bit more about it. But I am really alarmed that there are no warning signs up there. And Chief, Mr. Lyons I hope today, you will take care of that and make sure that warning signs are posted very clearly, and that doesn't mean that half of the country is off limits for snowmobilers. That is not where I want to go. I simply want snowmobilers to be aware that this is a very dangerous situation.

Also, the $600,000 that it cost to do the tank traps, nobody knew about it. There was no EIS. While the county commissioners were being assured that this was not happening, huge equipment was being hauled up and tank traps were being built.

I want to know, at this level, where does the buck stop? Who authorized that? Did you, Mr. Lyons? Who authorized the tank traps?

Mr. LYONS. Well, let me answer this for you, Madam Chairman. First of all, we don't build tank traps.

Mrs. CHENOWETH. Pardon me?

Mr. LYONS. We don't build tank traps.

Mrs. CHENOWETH. Well, then, you haven't been to the Targhee. There are tank traps built there.

Mr. LYONS. Well, Madam Chairman, the first time we met, you accused us of having black helicopters, and I haven't found any of those yet. If we have tank traps, I would be glad to go out and look at them with you.

But let me point out that we do, in certain cases, need to restrict access to roads, and we do that in a judicious way. I know there have been some issues associated with the way in which we build impediments to access, and I think Gloria can address that in a second.

But I want to make this point: we are attempting to manage the road system in a way to protect public safety and health, not to cause injury and harm. We are also trying manage the road system in a way that is going to protect those natural resources that you and I have responsibility to protect, and I believe we are doing so in the most efficient and effective way, and where issues have been raised we are attempting to address them. Perhaps, I could ask our Associate Deputy Chief for the National Forest System to explain specifically how we are dealing with the issue that you are——

Mrs. CHENOWETH. I am not asking how we are dealing with the issue. Let me repeat my question. It was very straightforward and very simple. I want to know where the buck stops. Who authorized

the tank traps being built in the Targhee National Forest? Did you, Mr. Lyons? It is a simple "yes," or "no" question.

Mr. LYONS. Well, the simple answer is that there are no tank traps in the Targhee National Forest.

Mrs. CHENOWETH. Then you tell the commissioner who broke his back.

Mr. LYONS. Why don't we talk about the details, Madam Chairman?

Mrs. CHENOWETH. Now, listen, Mr. Lyons, we are not going to get together on the budget or anything else unless we face the facts. The facts are that tank traps have been built in the Targhee National Forest, no matter how you try to spin this. We have a dangerous situation there, and I don't want you to try to redefine yourself out of it. Who was responsible? Who gave the final okay on the tank traps?

Mr. LYONS. Well, I certainly didn't give any okay on any theoretical tank traps.

Mrs. CHENOWETH. Who gave the final authority on the kind of project that cost $600,000 that was constructed up there in the Targhee? Most people refer to it as tank traps. If you want to redefine it, that is fine. Who authorized that project? Did you, Mr. Lyons? Yes or no?

Mr. LYONS. I am not familiar with any authorized tank traps, Madam Chairman, so I——

Mrs. CHENOWETH. Who authorized that $600,000 expenditure——

Mr. LYONS. Six hundred thousand dollars.

Mrs. CHENOWETH. [continuing] that built deep holes in the roads in the Targhee National Forest? Did you, Mr. Lyons?

Mr. LYONS. I'm going to let Chief Dombeck——

Mrs. CHENOWETH. The answer, yes or no?

Mr. LYONS. No.

Mrs. CHENOWETH. You did not authorize it?

Mr. LYONS. No tank traps on my watch.

Mrs. CHENOWETH. Did you—who authorized the $600,000 project in the Targhee National Forest? Whatever you may want to call it, Mr. Lyons, did you authorize it?

Mr. DOMBECK. Madam Chairman, I would assume that——

Mrs. CHENOWETH. Chief, I asked Mr. Lyons a question. I would—

Mr. DOMBECK. Okay, I'm sorry.

Mrs. CHENOWETH. [continuing] appreciate his answering it.

Mr. LYONS. Well, I would say my answer is that I certainly authorized road closures.

Mrs. CHENOWETH. You authorized the $600,000 expenditure for roads to be closed in that manner?

Mr. LYONS. I didn't deal with that specific issue, Madam Chairman.

Mrs. CHENOWETH. Chief, who did?

Mr. DOMBECK. I'm assuming that decisions of that magnitude would typically be made at the forest level or the regional level. I had discussed the issue of the closures on the Targhee when I met with Senator Craig some time ago and expressed some of the concerns. In fact, at that time, I think Jack Blackwell put a team to-

gether, and I believe we had a Washington representative that I had asked to be part of that.

But I do want to say that I do share your concern about safety. I think that safety is of the utmost importance, and what I will pledge to you is, as soon as I get back to my office, after this hearing, I will be on the phone to the regional forester and make sure that the public has a safe experience out there and the appropriate precautions are taken.

Mrs. CHENOWETH. Thank you, Chief, and again, I do want to reiterate safety does not equate to having whole regions off limits to snowmobilers, but I am as concerned about where that decision came from as I am sure you are. Mr. Lyons.

Mr. LYONS. I don't mean to interrupt, but you are probably aware of this, or at least your staff would be, that there was a law suit filed with regard to the depth of some of the impediments that were put in roads on the Targhee and a settlement agreement was reached to resolve this issue and as a part of the settlement agreement, I believe a commitment was made to bring the public out and look at these to make sure that there was a clear understanding what they were, and also to reach agreement on what would constitute a safe size hole, I guess is the only way to characterize it, to deal with this, so I think in some respects this issue has been addressed, though I certainly support Mike's commitment to sit down with your staff and look at it further.

Mrs. CHENOWETH. The issue has not been addressed to our satisfaction: especially when we don't see signs up there; especially when the tank traps are still in existence; and especially when there are piles of loose dirt that will create tremendous environmental hazards in the springtime. And I, without objection, would like to enter these pictures in the record. Also, I will send them around for the other Committee members to view.

[The information may be found at the end of the hearing.]

Mrs. CHENOWETH. So, this issue will remain an issue with me and the Appropriations Committee chairman because $600,000 could have gone a long way to helping to maintain roads instead of tearing them up.

Mr. LYONS. Perhaps, Madam Chairman, just to help clarify, I could also ask to submit, for the record, a copy of the settlement agreement which explains and does include signage as part of the commitment that was made to address these issues.

[The information may be found at the end of the hearing.]

Mrs. CHENOWETH. Thank you, Mr. Lyons, and for the record I also want to say the settlement agreement was only a small part of the suit. The suit is still going on. I am hoping that we will be able to help settle that in a short while with a reasonable road policy.

The Chair now recognizes the new Ranking Member, Mr. Adam Smith.

Mr. ADAM SMITH. Thank you. I just wanted to ask about three areas. One has to do with roads which is actually one area that I have worked on before. There is a lot of controversy surrounding how the roads are paid for. Leave that aside for the moment. Just kind of interested in the progress we are making in dealing with the problem.

As you mentioned, there are some 383,000 miles of these roads twisting and turning throughout the public forests and they are definitely an environmental problem. As they deteriorate, lack of maintenance and/or closure is a major problem. I guess the question I have is, one, what sort of progress are we making on that problem? And, two, as we are looking to build new roads, which we are still doing in some portions of the forests, are we looking for ways to build them so that they do not become as big of an environmental problem or is that just not possible? Is it just the nature of roads that once they are abandoned, they become a difficulty, or is there some way to build them in a more environmentally friendly way?

Mr. DOMBECK. With regard to your first question, roads I believe are one of the more daunting challenges that I faced as I came into this job a couple of years ago with the nearly 400,000 miles of roads in the national forest system, and yet very little support to maintain roads. Hence, we find ourselves almost having a circular problem that there are pressures to build more roads; there are pressures, tremendous pressures, opposed to roads, because of the environmental degradation, as a result of lack of support to maintain what we have.

And as I crafted—I shouldn't give myself credit for this—as the Forest Service crafted, the natural resources agenda, one of the four items of the regional foresters, the leadership of the Forest Service, indicated was important to focus on, was this issue of roads. In fact, the whole issue of Forest Service roads has been fairly intensely debated, both in the House of Representatives as well as in the Senate, for probably nearly 20 years, perhaps more than that.

So, the other question that I ask myself is, as a steward with responsibilities for these lands, is it appropriate to continue to build roads when we have 383,000 miles of roads and yet only the funding to maintain about 18 percent of these roads to the environmental and safety standards for which they were designed?

We basically have to redefine the issue and help people understand that roads are an important part of the transportation infrastructure of rural America that have to be maintained. We just shouldn't be going in and putting new roads in and sort of ignoring some of these environmental problems.

Mr. ADAM SMITH. Of course, the problem, and I understand, it is a matter of money, you can only do so many things, and the backlog on road maintenance or reconstruction is daunting——

Mr. DOMBECK. Yes.

Mr. ADAM SMITH. [continuing] to say the least, but the other priority, you want to build new roads so you can get to places so you can cut down more trees, which is part of what happens on the public lands, and presumably where the roads already are, most of the forest in many cases is already cut down. So that if we accept for the moment that logging on public lands should happen, then you have to have roads of some sort. I understand the first part of my statement is also a matter of great debate, but balancing those two things is going to be a challenge. Mr. Lyons, did you have——

Mr. LYONS. I just want to point out, Congressman Smith, that we have cut back severely in how much road building we do over the last six years, and, in fact, we have built a very small amount of road for timber access. What road we build, actually, is some multipurpose value and, in fact, recreation use of roads has sky-rocketed. But, that doesn't dismiss the fact that we have a tremendous amount of road system which we can't maintain, as the Chief indicated, only 18 percent in Fiscal Year 1999. We will only get that up to 22 percent with our budget request for Fiscal Year 2000.

So, we are trying to do the prudent thing. We are trying to stop future construction. We are trying to work with communities to decommission those roads we don't need, and we are trying to secure the resources to maintain those portions of the road system that we do need and, in fact, most of the construction or reconstruction that occurs is actually done by timber purchasers now, in entering areas where they are going to harvest.

Mr. ADAM SMITH. There is no fee structure to fund the maintenance, although there is, of course, the sale of the land, theoretically, factors in the cost of building the road, which is a matter of debate as well, but there is no fee structure whatsoever for maintenance. It just has to, sort of, come out of the general budget, is that correct?

Mr. LYONS That's correct.

Mr. ADAM SMITH. On land exchanges, we just had a major one, not far from my district with Plum Creek and land exchanges make a great deal of sense when you look at the checkerboard pattern, at least in the Pacific Northwest, between public and private ownership. To unify certain areas can, you know, make better use of the land both for the timber companies and for the public, for that matter.

A question I have: how do we figure out how much this land is worth? Because I went back and forth in the Plum Creek thing, trying to work both sides of it. There was the constant argument from the environmental community that the land that we were getting wasn't worth what we were giving up, and back and forth. I was very frustrated because, normally, when you are sitting down and doing a business deal, there is a way to sort of calculate the value of whatever you are giving up versus whatever you are getting. I think in the area of timber, it is a lot more difficult because if you are using it for preservation or public recreation, it has a different value, than if you are using it just to basically cut down and sell. How do you go about trying to reconcile that problem?

Mr. DOMBECK. I might ask Gloria to elaborate on the appraisal process, but there is a formal appraisal process that is used that we would be happy to provide you with the details of how that is handled. Is there anything you can add, Gloria?

Ms. MANNING. Basically, what we do is we have an appraisal and it has to meet appraisal standards, and the person that is dealing with us can select from a list of approved appraisers, anyone to go out and do the appraisal, and the appraisal that is selected by the person that is willing to sell the land, comes up with an appraisal that is different from the appraisal that we do, then a third party can be called in to reconcile the appraisal rate, but it is based on fair market value.

Mr. ADAM SMITH Okay. Does anyone outside of the Forest Service, you guys, and the private landowner making the sale, have a right to get an appraisal, to get a process, I mean do the third parties have any access to that or do you basically have to represent those third parties?

Ms. MANNING. Are you talking about the person that has the land up for sale, or just the public in general?

Mr. ADAM SMITH. Public in general.

Ms. MANNING. They can look at our process, but there are certain things that are in violation of private individual, private property owner's rights, so we can't display those things, but once the appraisal, once the land deal is over, then most of the records are open to public scrutiny. To protect the business, we can't indulge in letting other people know something about a private individual's——

Mr. ADAM SMITH. Are there any other big land swaps in the works right now that you are aware of?

Mr. LYONS. We constantly have land exchanges in play and the Cutwrench is one that we have been working on, just north of Yellowstone. But, the size and magnitude of the Plum Creek exchange, or the Weyerhauser exchange immediately before that, I'm not aware of anything of that size that is currently being considered. I want to point out one thing, Congressman, and that is our appraisers are all certified and we have a chief appraiser here in Washington who goes out and checks basically his field appraisers on an annual basis, so they are all kept up to speed, they have a requirement for continuing education, so that they keep their skills to a point where——

Mr. ADAM SMITH. I would be interested in getting more information——

Mr. LYONS. Be glad to provide it.

Mr. ADAM SMITH. [continuing] about how, back to the original question, I mean, what are you appraising based on?

Mr. LYONS. My staff can get that from—my people can talk to your people, basically, and we can work it out.

[The information may be found at the end of the hearing.]

Mr. ADAM SMITH. Thank you for your time.

Mr. LYONS. Thank you.

Mrs. CHENOWETH. The Chair now recognizes Mr. Hayes for questioning.

Mr. HAYES. Thank you, Madam Chairman. I apologize for not being totally and completely up to speed at my first hearing on these matters. Anyway, I am concerned with a number of things, the relationship between the private sector and the Forest Service.

To start off on a positive note, we have a national forest in the eighth district of North Carolina that is called the Yuwaura National Forest. Tom Horner is in charge there and he is doing a great job. We have a good relationship with him. Some of the western issues I don't understand.

Just a general question, Mr. Dombeck or Mr. Lyons, how do you, in your opinion, see the relationship developing on an ongoing basis between the private sector and the Forest Service in terms of cooperation, joint use of lands? The clear choice in my mind is projects, and you have looked at something we are working with

down there, and that is a partnership between existing Federal lands and private ownership which will make more land available for public use, versus what appears to me to be in the testimony today, another massive lock-up of Federal lands.

I have the pictures in my hand. I will let you answer that question, but how are you going to get firefighting equipment in when you have destroyed the roads? I have just been to Fort Bragg and they drop bombs and they don't make holes this big. I know you are trying to keep people out, but what if you have to get in yourself?

Mr. DOMBECK. Mr. Hayes, you have about three or four questions, I think, in sequence there. Let me start by saying, I was in the Yuwaura National Forest, and I know you pronounced it better than I do, the national forest last year, and I believe, they told me I was the first Chief, or at least the first Chief in a long time, that had been there and——

Mr. HAYES. Good, they are older than the Rockies; these guys from Colorado don't realize that.

[Laughter.]

Mr. DOMBECK. I had a wonderful field tour, and met with the staff. It is beautiful country. In fact, Randy Phillips, who is sitting right behind me, was the forest supervisor in North Carolina for a time and now he is doing a wonderful job as our National Forest System Budget Director.

With regard to the public/private partnership concept, my experience in the more than two decades doing this kind of work is that the government process is more open today than it has ever been. In fact, there are more people interested in what we do and, as a result, we have more appeals, so the whole process is a very open, public process, which I believe is appropriate in a democracy.

The thing that we continue to work on is, I am calling it collaborative stewardship, but call it cooperation, participation, whatever, the planning processes are all very, very open, public processes and if we look at watershed management and we look at ecosystems. Somebody said, "You don't manage a stream on 40 acres; look at what happens upstream, impacts downstream." So the whole concept of ecosystem management has revolved around, I think, improving partnerships and improving working relationships with those that are interested to work with us.

Now let me just, as a caveat, say that I do not, nor does the Forest Service, have any interest at all in regulating private lands. We function for technical assistance through our state and private forestry programs, application of research and things like that, but it has to be a partnership.

Mr. HAYES. I think I hear you saying this is a good approach, a joint use, a combination approach. Madam Chairman, I don't know enough about this to ask but I am alarmed when I see—but we'll talk about that later. I will try to get better educated and come back for another question. Thank you.

Mrs. CHENOWETH. Thank you, Mr. Hayes. The Chair will recognize the members as they arrived at the Committee. So, Mr. Tom Udall, welcome to the Committee and you are recognized for questioning.

Mr. UDALL OF NEW MEXICO. Madam Chairman, thank you very much for that nice welcome, and I am very appreciative of being here at your Subcommittee hearing.

Mr. Lyons and Mr. Dombeck, welcome and we look forward to working with you in the years to come. I wanted to ask a question about outdoor recreation. The Forest Service is the largest single supplier of outdoor recreation in the Nation, with over 900 million visitors annually, and yet you also have a backlog estimated at $1 billion to repair and maintain existing recreation facilities.

As demand for outdoor recreation is growing, is the Fiscal Year 2000 budget request, which provides, my understanding of it is, it provides for an increase of only 1.5 percent over Fiscal Year 1999. Is that adequate to address this backlog?

Mr. LYONS. Well, that is a good question, Congressman, and I will give you an honest answer. We have tremendous growth in outdoor recreation demand, as you indicated. We have attempted to develop new tools in working in partnership with the Congress to help supplant funds for recreation. The rec. fee demo. program has helped to some degree. We are looking at other tools such as concession reform, and the like, to help provide additional resources.

But, I was personally disappointed in the mark we got from OMB on recreation-use funding, to be candid, and tell you that is an area where we could use an additional investment, although we had to make tradeoffs, that is how they came out.

Mr. UDALL OF NEW MEXICO. Thank you.

Mrs. CHENOWETH. Thank you very much, Mr. Udall. The Chair now recognizes another Udall, who brings in an institutional history to this Committee and we are very pleased that you are serving on the Committee. Mr. Mark Udall.

Mr. UDALL OF COLORADO. Thank you, Madam Chairman. I also appreciate the opportunity to be here today and hear the testimony from the Forest Service. Secretary, Chief, it is good to see you here.

I had a couple of questions. I wanted to start with one about the Lands Legacy Initiative. As I understand that situation, the monies have been authorized since the Act was passed, but have not been fully appropriated, and my thinking on this is that it wouldn't actually result in an increase in your budget. I would like you to speak to that. Secondly, there is concern that this would add a lot of land to the Forest Service. I would like some clarification there. And then, using the Land Legacy monies, what kinds of lands would you add to the system, and in the long run do you think that saves you, and saves us taxpayers' money, or does it add costs to your budget?

Mr. LYONS. I'll start out, Congressman, and I think Mike will focus in on the specific acquisitions to the national forest. You are correct, in that what the administration has proposed is a commitment of funds from land and water conservation funds that are in the Treasury that would provide permanent funding for several programs: for land acquisition in the Forest Service; for the forest legacy program, which is a conservation easement program providing long-term protection for forested lands—again, on a willing seller basis—and the person whose conservation easements funds for the urban and community forestry program, to increase funding

for that program, as well as some additional funds for community outreach and to help communities in planning growth and development.

I think what is significant about this initiative is, similar discussions are already occurring on Capitol Hill. Chairman Young and Chairman Dingell on the House side, as well as the Louisiana colleagues on the Senate side, have initiated dialogues with regard to somewhat similar efforts, so that we have structured our proposal somewhat differently.

I think what is valuable and important about this is, as we deal with another initiative that I mentioned in my opening statement, the Livability Initiative, we can help communities plan for an orderly expansion and growth so as to ensure the protection of open space, the protection of naturalresources. In essence, the key elements, quality of life, that your constituents and others have come to appreciate, the reason they live where they live.

Without those resources, we are going to see continued fragmentation of forest resources, continued loss of open space, of farmland. It is a significant issue which, as I mentioned in my opening statement, we addressed, Secretary Glickman and I, before the National Governors' Association meeting just the other day, and there was tremendous bipartisan interest in this. So I think this is an extremely valuable tool.

The funds overall come, in part, from appropriations but mostly from land and water conservation funds, so it does not really result in an increase in our budget. Mike might want to talk a little bit about the specific land acquisition priorities that we have identified as a part of this.

Mr. DOMBECK. Thank you, Jim. What I would be happy to provide you with is a list of the land acquisition priorities for the Fiscal Year 2000 budget that amount to $118 million. There are 36 projects that are prioritized based upon a variety of criteria that we can also provide you, and would be happy to provide that for the record.

[The information may be found at the end of the hearing.]

Mr. DOMBECK. I would also like to mention two other important parts of the Land Legacy program. One is urban and community forestry, with 60 million acres of urban forest in the United States. That is where about 80 percent of the people in the country live and it is important that we care for forests in these urban settings because the beauty of the trees provide the savings in storm water or runoff treatment costs, the savings in energy costs and things like that. For example, I read not long ago where the city of Atlanta, if you plant three trees around a single family home, of the right species and in the right location, you cut your air-conditioning costs by 40 percent if this is done, on a broader scale.

Also, the stewardship incentive program is a program for providing assistance to private landowners, technical assistance, scientific information, so they can have a professionally developed plan for their wood lot, for whatever purpose they have, whether it is timber production, growing Christmas trees, wildlife habitat, whatever, and out of the 9.9 million private landowners in the United States, less than 20 percent have professionally based plans, that are important to the health of the forest.

The Forest Legacy Program is another program that seems to be cranking up more in the southeast. For example, and it basically involves easements, the State of Tennessee is doing an assessment now and will be making determinations and recommendations for the year 2000, as to what areas they want to protect from encroachment of development where they feel maintaining intact forests for whatever purpose, recreation, wildlife habitat, forest production, are important. So there are several important parts to that Land Legacy Initiative.

Mr. UDALL OF COLORADO. Thank you. Madam Chairman, I think my time is about up, but I did want to acknowledge Congressman Hayes, and I do know the Appalachians are older than the Colorado Rockies. I also know that I have never been colder than when I was crawling through the rhododendron in North Carolina, but our mountains are taller than your mountains, and at one point yours were taller. That was then; this is now.

[Laughter.]

Mrs. CHENOWETH. Thank you, Mr. Udall. The Chair now recognizes the distinguished new Congressman from California who comes with an impressive record in governmental affairs, Mrs. Napolitano.

Mrs. NAPOLITANO. Thank you, Madam Chairwoman. It is very nice of you, and thank you for the opportunity to be here.

I have no forests in my district, but it is one of the most important aspects of my State, so it is really incumbent upon me to listen first, and then ask questions. I have two questions, Madam Chairman, the first one is more of a comment, that has to do with the millions of miles of roads that you have to upkeep. Regarding those roads that are no longer serviceable or, as you say, you are putting out of service, are you looking at reforestation to close them, so that people don't utilize them for their own recreational purpose, and thus also prevent them from becoming hazards during rains by turning into mudslides? Is there a program that you are putting in place to be able to allow it to revert into its original state, such as it is?

You can answer that later, but the other question has to do, actually, with the fact that the GAO reported in 1995 and then again in Fiscal Year 1997 that you collected, $1.85 billion in sales receipts from timber, and 92 percent went to special off-budget accounts, returning only $125 million to the Treasury. This coming Fiscal Year 2000 budget proposes to reform that and use these accounts to fund the Forest Service operations through the regular appropriations process itself.

What are the pros and cons? It is easy to say, well, you have done this with these funds but we want to do this with money. What is the effect this is going to have on the Forest Service and the job that you have to do?

Mr. DOMBECK. The last topic you mentioned was the trust fund issue, and this has been a tough issue for the Forest Service for some time and just to sort of put it in a larger perspective——

Before you go any further, you did not comment on my first question.

Mr. DOMBECK. Okay.

Mrs. NAPOLITANO. First things first.

Mr. DOMBECK. Okay. First thing is first. The roads issue, a part of it that we didn't talk about earlier was the development of a long-term policy, which is really the most important aspect, I believe of what is going on with roads, and it is that the best science and technologies available be used to determine if and where roads are built. If roads are located in the wrong places where there are——

Mrs. NAPOLITANO. I am not talking about future roads. I am talking about roads that are no longer in service, and those that you are obsoleting, for whatever reason, and then reverting to forestry regeneration. That is to say, instead of putting in these tank traps—reforest roads, so that they become part of the Forest again. The reason I say that is because in my area we were working towards the conservation of the San Bernardino mountains in Whittier, of which Chevron owned a big parcel, and they deforested it. In other words, they made roads to seal some of their oil wells, and yet it is again becoming a pristine area, because it is back in conservancy. Trees that have been planted are beginning to make it look like mountainside again, like it was in the beginning.

Mr. DOMBECK. In Fiscal Year 1999, we decommissioned about 3,000 miles of roads and we are proposing doing 3,300 miles in Fiscal Year 2000. Many of these, where obliteration of the road occurs, they are put back to their original contour, they are replanted, and the most important thing is that we use the best science and technologies to do that.

Mrs. NAPOLITANO. Okay, now the second one.

Mr. DOMBECK. Okay. The second question really has to do with long-term trends and this is the Knutson-Vandenberg fund, the salvage fund, and others, and we are coming off of an era where we were able to fund the management of watersheds and the management of national forests on the back of timber sales.

What has happened over the course of the last 10 years is that the timber harvest has declined by about 70 percent. I am sure you are familiar with issues like the Pacific Northwest has all issues and some fairly tough debates that have occurred over the course of the last 10 years, and what has happened as a result of that, I believe now, somewhere in the neighborhood of 80 percent of our sales have other objectives beyond the production of commercial timber.

Mrs. NAPOLITANO. Pardon me, Madam Chairman, but didn't that Act specifically state that that was to be used for a specific purpose, not for putting into your budget, for administration purposes?

Mr. DOMBECK. Specific to the Knutson-Vandenberg Act, there are a variety of issues, of reforestation, watershed work, those kinds of things, that occurred in the sale area. Yes. What we have seen happen over time is we have seen the overhead increase but there is also an other issue that I want to point out and that is that part of the accountability issue that the Forest Service is grappling with now, and for the first time, we are using a consistent standard of direct and indirect costs, that is the standard established by the Federal Accounting Standards Board, so we have consistent accounting, and consistent definitions applied across the country for this. That has been a significant issue for it, and I am proud of the progress we have made on that.

Mrs. NAPOLITANO. When did you start that?

Mr. DOMBECK. In fact, we have just completed the first assessment of that within the last few months.

Mrs. NAPOLITANO. Thank you.

Mr. DOMBECK. It is displayed in the budget also, Ron reminds me.

Mrs. CHENOWETH. I thank the gentle lady for her questions.

We will go another round of questioning. I have advised my Ranking Minority Member, and so if you have the time, we do need to ask more questions. As you know, we always have other questions that we will be submitting in writing.

[The information may be found at the end of the hearing.]

Mrs. CHENOWETH. I did want to ask you, Chief Dombeck, and you can refer the answer to whomever you want, with regards to the program that has involved the construction of tank traps, I want to know how widespread is that, is it being instituted in other forests, and what can we expect in the near future?

Mr. DOMBECK. The real answer is that I don't know. It is the only one I have heard of. Let me ask Gloria if there are other programs like that around the country.

Ms. MANNING. Madam Chairman, when we look at the closures of roads, we have allowed the district manager to decide the best way to close the roads, and there are some that use rocks to put in the road, and some have used ditches, but to the extent that is out there, I couldn't tell you. I would have to go back and get that answer for you. However, they have had the option of selecting the best method for closures of the roads. We have also encouraged that they put signs on those roads, but I couldn't tell you at the moment how many of them have actually done that. We do reviews, but I would have to get back with you regarding the numbers that have not adhered to it or the number of forests that really have used the ditches, and how deep they are. I don't know that at the moment, but that is an allowable practice.

Mrs. CHENOWETH. It is an allowable practice?

Ms. MANNING. To use ditches. Not to the—I don't know the extent of what that is, but we have allowed them to use a ditch to indicate that you cannot go any further. We don't advocate a really deep one. But, we have not put a limit on how deep it can be, so I don't know how many of them were the same depth as the Targhee.

Mrs. CHENOWETH. Mr. Lyons, do you have knowledge with regards to the extent that this type of road closure is being used?

Mr. LYONS. No, Madam Chairman, I don't.

Mrs. CHENOWETH. Okay. I wonder, Chief Dombeck, if you could advise the Committee by checking with your supervisors, regional supervisors, and forest supervisors with regards to any plans on any forest involving this kind of road closure.

[The information may be found at the end of the hearing.]

Mrs. CHENOWETH. I know, and I do want to say for the record, Senator Larry Craig, took part in the hearing with me and I had worked with him since last summer when he first viewed the tank traps. He was as shocked and disappointed as I have been. As far as this Committee is concerned, the use of tank traps should not be an option. It is so utterly destructive. Let me ask you, Mr.

Dombeck, have you viewed the road closures in the Targhee where we had the hearings on tank traps?

Mr. DOMBECK. No, I have not personally been on the Targhee to see those, and will be happy to provide you with areas where closures are occurring, using this type of method. Typically, those decisions are made at the field level.

Ron, did you have a comment?

Mrs. CHENOWETH. All right, so you will provide for the Committee exactly what your supervisors are planning to do, and you are hearing from me, and I think it carries the weight of the Committee, that we do not believe that this kind of destruction should be an option in road closure.

Sometimes, it is employed on private lands. But, if a private landowner constructed this kind of a tank trap, and there had been a broken back, as there was when one of the county commissioners broke his back, when he went into one, there would have been far-reaching legal ramifications. These are not benign ditches, and I am bringing it to your level. It is a serious, serious concern and it affects how we view the entire road maintenance program.

Chief, I want to say that I read the statements you made in Missoula, Montana. You stated, "Who would have thought that timber harvests across the national forest systems would decline by 70 percent in less than a decade?" And then you went on to say that, "The recreation industry needs to take note. They need to look at some of the issues the timber industry ran up against 20 years ago. The sideboards for recreation are no different than those for timber or grazing, or any other use of the national forest. They must work within the limits of the land."

Are you suggesting that under present policies we will also see recreation decreased by 70 percent, as happened with the timber industry?

Mr. DOMBECK. No, I am not. Not at all. What I am suggesting is that I think the most important thing we can do is let the land tell us what it can, that we work within the limits of the land. With whatever practice, or use, of the land occurs, I think that we all want to maintain forest health, we all want to maintain watershed function, and all those kinds of things. It is important that there are appropriate places for recreation, and the kinds of recreation, and we also have to be respectful of the land, so we don't degrade the soils, degrade water quality, with any practice, no matter what it is.

Mrs. CHENOWETH. In your view, if it is not 70 percent, what do you see the percentage of decrease may be, in recreational, outdoor activities?

Mr. DOMBECK. I, in fact, wouldn't even pretend to be able to make a projection, because I believe that has to be done on a watershed by watershed, community by community, basis, depending upon what that practice would be. It is not a decision that ought to be made at the national level.

Mrs. CHENOWETH. But would you, in your view, say there would have to be a substantial reduction of recreational activity?

Mr. DOMBECK. Possibly in some areas. I also believe there are other areas where we can channel various kinds of activity to take pressure off of areas that are more sensitive. In fact, we talked

about land acquisition earlier. One of the focuses of land acquisition is to provide access, to protect habitats, and those kinds of things. It is a matter of management, really, making the determination as to what are the appropriate uses and where and at what levels, and those decisions, hopefully, are made at the local level.

Mrs. CHENOWETH. And you are speaking of multiple use land?

Mr. DOMBECK. Yes.

Mrs. CHENOWETH. Okay. I want to ask the Committee's indulgence for just one more question.

The fir beetle outbreak in the Panhandle forest in Idaho will require a really aggressive management program to reduce future impacts and, as you know, your own maps show that this is a catastrophic area, the biggest, actually, concentration of catastrophic forest situations of any place in the United States. But apparently, the roads moratorium will severely reduce the Forest Service's own ability to treat these lands. Is this what you intended by the moratorium, and how will you manage both the roadless moratorium and taking care of these outbreaks?

Mr. DOMBECK. I am not familiar with the map, and the lay of the land, and I know that Dave Wright has been in here, and I presume that he briefed either you or your staff, as he briefed us. It is my understanding that the immediate concern is near private lands and already roaded areas, is the immediate concern.

I want to also point out that the temporary suspension of road building does have an emergency provision in it where there are safety issues, things like that, we are very, very concerned about private property, homes, those kinds of things, then we have to look at that on a case by case basis.

Mrs. CHENOWETH. I want you to know, Chief Dombeck, that the explosion of the fir beetle outbreak is more than just next to the roads. I wanted you, personally, to know that it is going to take intensive management to take care of that very sad situation. Thank you very much. And I thank the Committee for its indulgence, and I recognize Mr. Adam Smith for questions.

Mr. ADAM SMITH. Actually, I think I asked what I needed to ask in the first round, so I'm good, thanks.

Mrs. CHENOWETH. Mr. Tom Udall.

Mr. UDALL OF NEW MEXICO. Thank you, Madam Chairman. I wanted to ask the panel a question with regard to recreation users, because it seems to me from my experience in the outdoors, is that you have a lot of conflicts going on out there. The snowmobilers clearly want to use your lands, and yet you are getting complaints, I am sure, from people about the amount of pollution that is put out by snowmobiles, the amount of noise. I think compared to on-road vehicles, these are the most polluting vehicles in America today. I think, probably, there are agencies moving to do something about that right now.

Then, clearly, your other users, cross country skiers, snowshoers, other users, want to have a measure of solitude. And so, it would seem to me that you as a land use agency are always trying to balance those needs, aren't you, and make sure that each of those users is getting a good experience out of public use of the lands?

Mr. DOMBECK. Yes, in fact, and that is a significant challenge. As various uses compete with one another and there really is a limit to the space we have. In fact, I was one that used to be very reluctant to talk about limits, it was almost un-American, but yet to talk about limits, as we think about the oceans and the open space that we have, the fact is that there are limits, and I think if we work within the limits of the land, the land will take care of us, generation after generation, but we have to keep in mind the fact that there is not enough to go around for everyone to have all of what they want, so we have to have to share and balance these uses, and that is what the local planning processes are about, to get public input to make those decisions. Jim, do you want to——

Mr. LYONS. The only thing I would add, Congressman, as Mike points out, these are the kinds of decisions that really need to be made on a local basis, but I think the challenge of recreation management which really is growing in the national forests, comes of trying not only to manage natural resources, but people. As a result, we have got to develop new tools, new ways to better manage use of the national forests, to ensure, for example, that we can maintain the wilderness experience that people seek, when they enter a wilderness area, so that we can minimize impacts for natural resources.

So, our budget reflects an attempt to secure additional resources, for example, to increase trail maintenance, where we face severe impacts because of excessive use. We have gone to evaluating carry capacity as a way to determine how many people to allow in a wilderness area, and in places where there is extreme impact, we have actually had to go to a permit system, to address that.

Mike and I have been recently trying to deal with issues associated with wilderness management, and wilderness use, and last year we had quite a debate over the use of fixed anchors in wilderness areas, an issue that is being decided through a negotiated rule-making process now.

So, we recognize those challenges and we are trying, through the development of a new recreation strategy, to develop a capacity to better manage recreation resources by not only managing the natural resources, but better working with recreation users in a partnership, so as to provide the kinds of experiences people have come to expect from national forests.

Mr. DOMBECK. Another area I would just like to highlight is the need to make additional investments in recreational research. That is an area that has been, over the course of the last few decades, that really not very much attention has been paid to it and we, Robert Lewis, our Deputy Chief for research and technology development is putting a focus on that, because it will be very, very important over the next few decades that we do it right.

Mr. UDALL OF NEW MEXICO. Thank you, and I appreciate very much the way you have enunciated the wise stewardship approach that you are trying to take to many of these resource use matters. Thank you, Madam Chairman.

Mrs. CHENOWETH. Thank you, Mr. Udall. The Chair now recognizes Mr. Mark Udall.

Mr. UDALL OF COLORADO. Thank you, Madam Chairman. I had a comment, then I had a question.

I wanted to extend my thanks to you for putting a negotiated rule-making process in place in regards to fixed anchors. I think that situation has the potential to become very adversarial. I have wasted, some people would say, a lot of days rock-climbing and enjoying the great outdoors in the West, but I know that it is not as simple a situation as it was made out to be by either side in this, so I will watch what transpires with great interest.

Let me refer back to my colleague. Mrs. Napolitano talked about special funds. In my district, which is one of the more suburban western districts, but also includes a big chunk of the Arapaho forest to the west, some of the counties there are curious about the timber receipts replacement program that you have proposed. Can you explain how that would work, Chief Dombeck or Secretary Lyons, I don't know who——

Mr. DOMBECK. Yes, the initial request for us to take a look at this came from some of the counties in the Northwest, that had experienced significant downturns in timber harvest, as a result of the issues in those areas. In fact, part of the Northwest Forest Plan, a program to place the basically stabilized payments to counties, and then there was a sliding scale that, I believe, in 1997 they received 76 percent of, what level was it, of the maybe the 1989 or 1990 level, Ron? And then, now for the year 2000, I believe, that will drop to 67 percent. So that is one aspect of it.

Another aspect of it is, is where we have controversial timber sales—I can think of an example that describes this. A couple of years ago in Texas, there were $26 million worth of timber sales enjoined for a time, and had that gone on for, say, two or three years like often times they do, that would mean that those five counties wouldn't get 25 percent of that $26 million and have significant difficulty in meeting their budget, so you get this unpredictability associated with it. The objective there is to provide some long-term predictability for counties, for school systems, is one aspect of it.

The other aspect of the question that I think we probably need dialogue on, and that is: is it for the richest country in the world, is it appropriate for us to depend upon receipts from controversial timber programs that are often appealed or enjoined, to pay for services like this? Is there a better way to do it?

Mr. UDALL OF COLORADO. This would not affect the so-called Pilt, or payment in lieu of taxes, programs that also exist?

Mr. DOMBECK. I believe that is correct, but then, more specifically, our proposal would be to stabilize this at a particular level and, in fact, Ron Stewart has been leading that effort, and a dialogue with the National Association of Counties, and others, to take a look at what options are out there to deal with that, and what might work, and what might not, and why.

Mr. UDALL OF COLORADO. Would this involve any cuts, Chief, or, what you are saying is there is going to be more predictability here, which in the long run is better for everybody involved?

Mr. DOMBECK. The proposal, I believe, although it is not final would hold that no county would get less money than it received in 1998, and I believe what we are working toward is they would have a choice of receiving the 1998 level or a level that represents

an average over time of something like, maybe, a ten-year average, and they would have that choice.

Mr. UDALL OF COLORADO. When do you think you will get this over here for us to take a look at it?

Mr. DOMBECK. What is the status of that now, Ron? It is in the clearance process now, within the administration.

Mr. UDALL OF COLORADO. So in fairly short order?

Mr. DOMBECK. Shortly is the answer.

Mr. UDALL OF COLORADO. I see I still have the green light. Another quick question: the BLM, your friends in Interior Department, and you, of course, are working on this trading post concept, I believe, in Colorado, where it is a one-shop-shopping for people. Can you talk a little bit about that, and do you have plans further down the road for it?

Mr. DOMBECK. Yes, in fact we will be meeting with the leadership of the BLM, as a matter of fact, Madam Chairman, we will be meeting in Boise, Idaho, at the end of March with the leadership of the BLM. This will be one of the issues we will talk about.

The whole objective is to try to provide one-stop shopping for local communities and our most aggressive approach a few years ago was in the State of Colorado, where we basically shared expertise in a case where the Bureau of Land Management had more range management expertise, while the Forest Service had more forest management expertise.

We shared that, we saved money, we saved positions, and when we talk about this to members of local communities, they sort of say, "Well, you know, you should have been doing this all along, because it makes sense."

In the State of Oregon, the regional forester and the BLM state director will be moving into the same building, in fact, I hope they will have a common reception area, so people would go for permits, for services, for information, would have it right there at their fingertips, without having to go to one building and one agency, then another building, and another agency.

Another program that is similar to that is in recreation where there is now a website. It is called recreation.gov, and you can sign onto that website and get information on any campground, on any facility, whether it is the Corps of Engineers' Bureau of Land Management, National Park Service, Fish and Wildlife Service, Forest Service, BLM, and it just makes a lot of sense to the public and delivery of services and information to them.

Mr. UDALL OF COLORADO. Thank you, Madam Chairman. That makes sense, particularly in Colorado where we have, in some cases, 14,000 mountains that are on BLM lands and we have grasslands that are administered by the Forest Service. So , I think it is a great step forward.

Mrs. CHENOWETH. Thank you, Mr. Udall. Mrs. Napolitano.

Mrs. NAPOLITANO. Thank you, Madam Chairman. I have no further questions, but I thank you for the opportunity to be able to listen to more of the areas that are important to my State. I look forward to having your card so I can call you when I have a problem. Thank you.

Mr. LYONS. Congresswoman, if I could just make one comment. You opened today by saying you don't have any forests in your dis-

trict, and I just want to point out, though this is often overlooked, Mike mentioned the urban and community forestry program that we have ongoing. We do a lot of work in Los Angeles, in that regard and, in fact, we have a program called the Urban Resources Partnership which is active in working throughout the city in helping community groups and neighborhood groups protect open space, do tree planting work.

We have an initiative this year, that I thought I would just bring to your attention, to create what we are calling a children's forest in Los Angeles, which is really intended to try and help children understand land stewardship, their goals, and we are working with a whole host of private partners, the city, LA tree people, Audubon Society, Mothers of East LA, to try and put in place a program that will allow children to understand the wonders of the great outdoors, even if they never get the chance to go beyond their own backyard, or neighborhood.

Mrs. NAPOLITANO. Will you add the Whittier Conservancy to that?

Mr. LYONS. We would be glad to.

Mrs. NAPOLITANO. They have just taken on probably about 3,000 acres and set it into conservancy. I have been working with them for the last five years and we are moving into the Brea and Coal Canyons to be able to conserve those areas for our children and grandchildren. So, I am very interested.

As for the tree people, we would love to have reforestation happen in those hills, because one of the gasoline companies that owned a parcel of almost 1,000 acres, like I said, built roads and really denuded, if you will, what was there, and it is now being reforested with the help of community groups, the tree people, scouting groups, etc., so I would love to have you step in and give us a hand on that.

Mr. LYONS. We will see to it.

Mr. DOMBECK. What I will do is, I would like to have our state and private forestry staff contact your office and provide you with additional information.

Mrs. NAPOLITANO. Call Mike Torra.

Mr. DOMBECK. Thank you.

Mrs. NAPOLITANO. Thank you, sir. Thank you, Madam Chairman.

Mrs. CHENOWETH. Thank you, Mrs. Napolitano. I do want to bring this portion of our hearings to a close now, and I thank the members for being here.

I also want to say, for the record, that I brought up concerns based on my last hearing in Idaho, the Committee's last hearing in Idaho. I also want to say, for the record, that the regional forest supervisor down there has indicated in writing that the construction that went on those roads were tank traps. I bring that up because this is a serious problem, and I don't want us to get off on a bunny trail as to definitions. I bring the problem to you in this hearing because it is a serious safety and environmental problem. I also think that it is a huge overreach in terms of the road closures and I don't understand exactly. I don't want to ascribe a statement to it. I just don't want to do that. I don't want to go there, because it is tremendously overreaching.

Also, in closing, I want to say, on behalf of the Committee, how much we have enjoyed working with Mr. Francis Pandolfi. I think he was a good choice, and we will all miss him.

I want to say that the GAO says that the Forest Service's books are still in disarray. That the person who was in the process of correcting this problem is now leaving, and I wanted to ask you again, for the record, when do you believe that we will see a clean set of books?

Mr. DOMBECK. We hope to have our real property inventories complete by late summer and the thing that you will see in my written testimony where I ask for both your support and patience, as we move through fixing the accountability and the books of the Forest Service. This is an issue that evolved over a decade or more in a large decentralized organization, and the challenge of getting our data systems in place where we have an organization that does 75 million transactions a month, and I want to point out that, even though Francis is leaving, we have an excellent staff, some of whom have been in the Forest Service, and some who are new to the Forest Service, like Vincette Goerl, who comes to us from the Customs Service. She helped get a clean financial audit for the Customs Service, manages a large organization.

When I was at BLM, as acting director, we had a clean financial audit. We know what have got to do. The Forest Service is a much larger organization and it took Jack Wells 10 years to get GE where it needed to be, so it is going to take us time. Certainly we are hopeful that we will have at least a qualified opinion. Vincette? Let us go straight to the source.

Ms. GOERL. Madam Chairman, we have efforts underway to clear up our material weaknesses in 1999 and 2000, and hope that we can achieve a clean opinion in 2000. It will be a challenge, but we are certainly putting in all the efforts along with a new financial system, to do that.

Mrs. CHENOWETH. Thank you very much. I want to thank the panel for their testimony, and we will be, as you know, back in touch with you with further questions. As you also are very familiar with the fact that the record remains open for a limited period of time for you to amend any statements that you may wish to make. Thank you very much. And this panel is excused.

[Whereupon, at 2:40 p.m., the Subcommittee adjourned subject to the call of the Chair.]

[Additional material submitted for the record follows.]

STATEMENT OF JAMES R. LYONS, UNDER SECRETARY, NATURAL RESOURCES AND ENVIRONMENT, U.S. DEPARTMENT OF AGRICULTURE

Madam Chairman, Congressman Smith, Members of the Committee, thank you for the opportunity to appear before you today to discuss the Forest Service's proposed budget for Fiscal Year 2000.

I would like to present a brief overview of our budget request and highlight some of the priorities we've identified in terms of three broad areas. Chief Dombeck will address these and other areas in greater detail. The three areas I want to highlight are; (1) the priorities of the President and the Department of Agriculture in managing the rich natural resources of this nation's forest and range lands; (2) the Forest Service priorities under the leadership of Chief Dombeck to implement the service's Natural Resource Agenda; and (3) the emphasis being placed on the Forest Service to be accountable to Congress and the American people for its performance and use of Federal funds.

Last year when I testified before several committees, including this one, I stated that despite the contentious debates on several Forest Service management issues, Congress and the Administration have more agreement than we do disagreement. Despite the differences regarding budget priorities and several environmental riders which were part of the fiscal year 1999 appropriations debate, we worked together and developed a bill which helped the Forest Service move forward towards improved forest and ecological health and sustainability. I continue to believe we have common interests, and greater agreement than disagreement, although I'm sure we will be involved in tough debate again over this year's budget.

First, a brief overview. This budget proposes an overall increase in discretionary appropriations of 6.5 percent. The budget includes a healthy emphasis on the basic programs necessary for managing the agency's 192 million acres, which include a $30 billion infrastructure, 383,000 miles of road, 74,000 authorized land uses, 23,000 developed recreation sites, and uncounted dispersed recreation sites. In addition, the budget proposes a substantial increase of $37.2 million to enhance the agency's leading role in forest and rangeland research. Finally, the budget proposes major increases in State and Private Forestry programs, which is a key element of the President's initiatives.

President and Department Priorities

Let me turn now to the important priorities of this Administration. As you know, the President has proposed several initiatives in the fiscal year 2000 budget including two that were first initiated as part of the fiscal year 1999 budget. Principally, the President's goal in fiscal year 2000 is to develop Forest Service programs that help assure that all the nation's lands, not just National Forest lands, provide clean water for the taps of faucets, open spaces and expanded recreation opportunities for rural and urban residents alike, and improved sustainability of products, wildlife, and biodiversity on healthy public and private lands.

Thus, the President has proposed the Lands Legacy Initiative, the largest one year investment ever in the preservation of America's lands, and the continuation of the Clean Water Action plan to continue to focus on priority watersheds where protection and improvement programs are so desperately needed.

Madam Chairman, I believe the Lands Legacy Initiative is bold and essential for America as we enter the new millennium. This $1 billion program, which includes $217.6 million in Forest Service funding, will focus on working with states, tribes, local governments, and willing private partners to protect great places, conserve open space for recreation and wildlife, and to preserve forests, farmlands, and coastal areas. Currently, 30 million people live within an hour drive of national forest land. As the President noted in his State of the Union address, 7,000 acres of farmland and open space are lost every day. The number of tracts of forestland of 50 acres or less doubled from 1978 to 1994 as our landscape was carved into smaller pieces. Access to, and the health of, these lands is diminishing as a result of this fragmentation. To address these serious concerns, the President's budget proposes to significantly increase funding of the agency's State and Private Forestry Programs, with an increase of $80 million or 48 percent over fiscal year 1999. With this increase we will focus on promoting the retention of open space and smart growth that will provide conservation opportunities and experiences for many additional millions of Americans.

The Forest Service is the national expert at providing recreation to the public through family oriented recreation such the Sunday drive, weekend camping trip, short family hike, or week long backpack or rafting trips. The Lands Legacy initiative, through emphasis on State and Private Programs and increased Land Acquisitions promotes this type of recreational access as well promoting the availability of

clean water, healthy watersheds, and open space. The national forests are the watersheds for more than 902 communities in 33 states. Many millions of additional people depend on water provided from other forested lands. Through emphasis on state and private partnerships, which promote smart growth acquisitions and easements, more Americans will be assured of long term access to public land and the clean water it provides.

The fiscal year 2000 budget contains several additional initiatives that are important to note.

As was proposed last year, the Administration again intends to forward legislation that will stabilize payments to states. I believe it is essential to provide these payments through a process that does not link the output of forest products to the education of our rural school children or the quality of the roads used by their parents. If enacted, the legislation will result in long term predictability of payments that the states and counties of America need.

Other legislative initiatives are important aspects of this budget, including proposals to maximize return to the government for authorized uses of national forest land to improve forest visitor experiences. The President also will propose legislation which requires purchasers who harvest timber and special forest products from national forests, pay fair market value for these products and a greater share of the costs of managing these programs, thus reducing the use of appropriations.

Natural Resource Agenda

The President's initiatives are fully compatible with the aggressive program initiated by Chief Dombeck last March which established the Natural Resource Agenda. I am proud to support this four point program which focuses agency attention on watershed protection and restoration, sustainable forest management, the forest service road system, and the critical recreation program.

This budget strongly supports the Natural Resource Agenda with significant funding increases. Wildlife, grazing, fire, fisheries, and other programs increase by $48.6 million to support watershed health and restoration. Increased funding contained in this budget is essential for restoring and protecting watershed health.

A second element of the agenda promotes sustainable forest management. With proposed budget increases of $113.2 million, programs such as Forest and Rangeland Research, in addition to the State and Private programs I have already mentioned, will engage coalitions among communities, conservationists, industry, and all levels of government to collaborate and integrate management of national forest lands with those practices on state, tribal, local and non-industrial private lands in order to promote long term land health.

Management of the national forest road system is a third component of the Natural Resource Agenda. With a funding increase of $22.6 million, this road system, which is expansive enough to circle the globe more than 15 times, will receive critically needed funds for maintenance.

As you know, Secretary Glickman recently announced a new interim rule for road management. While this issue is very contentious, all of us can agree that the national forest road system is critical to land health and is essential to meet the recreation and livelihood of millions of Americans. Simply put, I strongly support Chief Dombeck in his effort to significantly reduce new road building until we are better able to manage the road system we presently have. The President's budget will provide increased funds for road maintenance and allow the Forest Service to implement road management plans for America's long term access and land health needs.

Lastly, as part of the Natural Resource Agenda, the President's budget continues to provide strong emphasis on recreation. The Forest Service is the largest supplier of recreation in the United States. We are pleased with the emphasis Congress has also shown in promoting recreation. The Recreation Fee Demonstration Program is one such example, and a resounding success. Through this program, we have improved facilities and the visitor's experiences at fee sites. However, I want to emphasize that 95 percent of recreational experiences on the national forests involve use of non-fee dispersed sites. The President's budget continues to emphasize this area of recreational use through appropriated funds. I strongly encourage your continued support of these appropriations in order to continue quality experiences for those who use the forests for highly dispersed activities, and who are either unable to pay for use of these sites, are not close to fee sites, or who desire to recreate in the undeveloped non-fee areas of the national forests.

Also in support of the Natural Resource Agenda, I want to note that the Committee of Scientists, commissioned by the Secretary to review land and resource management planning processes, are soon to release their landmark report. Shortly thereafter the Forest Service will complete preparation of proposed land management planning regulations which will guide future revisions to land management

plans. These regulations are long overdue. I am confident when implemented these regulations will result in a long-range planning framework suited to accomplish sound resource management in accordance with environmental laws and the mission of the Forest Service.

Forest Service Accountability

The success of the Natural Resource Agenda and the initiatives proposed by the President are critical to long term health and conservation of the national forests and the nation's state, local, and non-industrial private lands. Effective Forest Service leadership is what will facilitate these long term successes. However, leadership will not be successful if the Forest Service does not aggressively address what can only be described as severe lapses in its financial management and overall performance accountability. As you know, the agency's financial health, decision making, and overall accountability has been scrutinized and extensively criticized in more than 20 studies initiated by Congress, the Department, and internally.

Let me say, I have no doubt the Forest Service has got the message! Through reorganization and placement of professionals in top leadership positions, the agency has placed the financial management role in a position that assures attention and oversight in equal stature and priority to its natural resources management agenda. While I believe it is important for Congress to actively perform its oversight of the agency's financial condition, I believe it is also important to ask for some degree of patience. The agency's books and records took a decade or more to turn sour. It will take at least the rest of fiscal year 1999 to implement a new general ledger and at least through fiscal year 2000 to receive a clean financial opinion.

Meanwhile, it is clear the Forest Service is taking action to improve. This includes paying detailed attention to management of indirect costs, restructuring the process for charging overhead to permanent and trust funds, and actively working on implementing performance measures consistent with the Results Act, which should ultimately lead to proposals for a revised budget structure that reflects the integrated nature of work it accomplishes on the ground.

Madam Chairman, in my testimony today I have discussed important Presidential initiatives, the Natural Resource Agenda, and progress being made to improve agency accountability in relation to the fiscal year 2000 budget. These three areas represent important areas of change for the Forest Service as we approach the next century. I am confident that with your support we can work together to build a Forest Service program that accomplishes long term land health objectives, delivers clean water, provides quality access, assures diverse recreational opportunities for greater numbers of Americans, and continues providing strong livelihoods for communities for generations to come.

Thank you for the opportunity to address you to answer any questions you may have.

STATEMENT OF MIKE DOMBECK, CHIEF, USDA FOREST SERVICE

Madam Chairman, Congressman Smith, Members of the Committee, thank you for the opportunity to appear before you this morning to discuss the Forest Service's proposed budget for fiscal year 2000.

Only three weeks ago, I addressed our employees in Missoula, Montana about the state of the Forest Service. I would like to review some ofthose remarks today as I discuss the proposed budget for the Forest Service.

I am honored to have served as Chief of the Forest Service for over two years. During this time, I have had the pleasure to be a part of the continuing evolution in the direction of the Forest Service. I have come to appreciate that many of the conflicts we face today over management of natural resources are very similar to the conflicts faced by the agency's first Chief, Gifford Pinchot. What made the Forest Service unique under his leadership was a set of conservation values that were not always popular, but which reflected the long term interest of land health. Madam Chairman, as in the days of Gifford Pinchot, the values put forth in the President's fiscal year 2000 budget emphasize long term health of the land.

In my testimony today I want to concentrate on the values of healthy land by elaborating on three key areas set forth by Undersecretary Lyons; (1) the major changes reflected in the President's budget that set a new leadership direction for the Forest Service; (2) how the Forest Service Natural Resource Agenda reflects these values; and (3) how we are addressing important accountability issues. Let me first address some overall perspectives about where the Forest Service has been and where the Secretary and I want to take it in the future.

Over the last decade there has been a significant change in how society views conservation values. Many people have ceased viewing publicly owned resources as a warehouse of outputs to be brought to market and instead have begun assigning greater value to the positive outcomes of forest management.

The result of such change is that we often find ourselves caught in the middle between competing interests. Some look to you, the Congress to "fix" the legislation that they perceive has negatively affected their interests. Others push to limit the number of appeals, so the agency can get on with producing timber or stopping timber production, as the case may be. Still others ask courts to resolve land use policies through litigation.

Too often we find ourselves waiting for someone else to resolve our issues for us. I think that must end. The budget we are going to talk about today sets the framework for the Congress, the Administration, the States, local governments, and private parties to begin working together in a new way to collaboratively resolve conservation conflicts. The central premise of our approach is that by restoring and maintaining a healthy land base on public and private lands alike, we can ensure that our children, and their children's children enjoy the benefits of land and water.

Madam Chairman, with healthy watersheds as a foundation, there is room for a reasonable flow of outputs; timber and livestock specifically, but many other products also. There is and will be the ability to produce cleaner water. There is a land base which will allow us to set aside additional places untrammeled by human beings, and there is an ability and a necessity to preserve now and for generations to come, additional open spaces before such spaces are fragmented or degraded due to private land development, urban sprawl, and other such issues.

For those who advocate a return to timber outputs of 10 years ago, or those who advocate a "zero cut" philosophy, I say it is time to inject realism into the debate. The President's budget provides funding for outputs which are consistent with land health. I can not visualize a circumstance when such outputs will ever be at the level of 10 years ago, but I say to the other side of the spectrum, timber harvest will, and should continue. The President's budget contains innovations that recognize the ability of people to restore ecosystems from those already degraded, using modern science and technology, where people have either contributed to poor land health by over using the land, built roads in unstable or overly steep terrain, or prevented natural processes such as fire. We can improve the health of these areas, and do so by not only allowing the removal of forest products but by demonstrating in some cases such activities can contribute to forest health. The more timber harvest contributes to ecological sustainability, the more predictable timber outputs will be. This budget presents a solid balance that if enacted will help accomplish these goals.

The Forest Service serves many people. With our 192 million acres, 383,000 miles of roads, $30 billion infrastructure, 74,000 authorized land uses, 23,000 developed recreation sites, tens of thousands of dispersed recreation sites, and 35 million acres of wilderness, the national forests are many things to many people. Forest Service has the premier Forest and Rangeland Research organization in the world which is involved in research to improve land health and to improve the experiences enjoyed on the land by Americans.

Specifics of the President's Budget

The President's budget creates a new focus on State and Private Forestry programs. Over time, our leadership capacity to assist those who manage the more than 500 million acres of forests outside of the national forest system has diminished. One of our greatest contributions to society will be our ability to bring people together to provide technical assistance and scientific information to states, private landowners, and other nations of the world. The fiscal year 2000 proposed budget contains an increase of $80 million in State and Private Forestry, and $37 million in Forest and Rangeland Research to increase our involvement in this critical collaborative role. Consider that we have been spending about $2 billion annually to manage the 192 million acres of national forest land, yet spend less than $200 million in support of the 500 million acres of state managed and privately owned lands.

With this budget, support to state and locally managed lands and non-industrial private lands dramatically increases. The budget proposes $218 million for the Lands Legacy Initiative, which will make new tools available to work with states, tribes, local governments, and private partners to protect great places, to conserve open space for recreation, and wildlife habitat; and to preserve forest, farmlands, and coastal areas. This $218 million is part of the President's bold government wide initiative to provide $1 billion for the Lands Legacy Initiative.

The President's budget also continues support for key programs initiated with the fiscal year 1999 budget by targeting an increase of $89.4 million for the Clean

Water Action Plan to maintain priority attention to the health of watersheds on Federal, state, and private lands. The budget also proposes $6 million to support the Climate Change Technology Initiative and an increase of $6 million for the Global Change Initiative, both of which are aimed at improving the long term health of the climate that supports life on this planet.

Forest and Rangeland Research programs are an important aspect of emphasis in the President's budget. In addition to funds to support global climate issues, an additional $14 million is proposed for the Integrated Science for Ecosystem Challenges project which addresses science and technology needs related to ecological systems.

The President is also proposing as part of this budget several new legislative initiatives. Most notably, a proposal similar to one put forward last year, to stabilize payments to states and counties by separating payments to counties from a reliance on receipts generated by commodity production. At the beginning of my testimony, I noted the need to manage outputs from the national forests in a manner consistent with land health. In doing so, emphasis for producing those outputs has changed. For example, today a significant number of timber sales are sold for stewardship purposes rather than pure commodity objectives. There is an increase in the sale of dead or dying timber. In these cases receipts are less than were experienced several years ago. I expect this trend to continue particularly in the west. What we are asking is, why should the richest country in the nation finance the education of rural schoolchildren on the back of a controversial Federal timber program? The Forest Service has a stewardship responsibility to collaborate with citizens to promote land health. Collaborative stewardship implies an obligation to help provide communities with economic diversity and resiliency so they are not dependent on the results of litigation, the whims of nature or unrelated social values to educate their children and pave their roads. We need to work together so states and counties can anticipate predictable payments on which to base education and road management decisions.

Several other legislative proposals are also soon to be submitted including proposals to transfer timber sale preparation costs to timber purchasers through user fees, a proposal to reform concession management, increased emphasis on obtaining fair market value for land uses and timber, and establishing a fund to manage the sale of special forest products.

Natural Resource Agenda

The President's budget contains many important initiatives. It also contains a broad program of funding for management of national forest lands. Just one year ago I announced the Natural Resource Agenda, which is a comprehensive science based agenda that will lead management of the agency into the 21st century. As an integral partner with the Government Performance and Results Act, this agenda focus on four areas; (1) watershed health and restoration, (2) sustainable forest and grassland ecosystem management, (3) the national forest road system, and (4) recreation.

I want to highlight briefly our emphasis in each of these areas. A retired Forest Service employee offered me some advice a while back. He said, "if you just take care of soil and water and everything else will be OK."Multiple use does not mean we should do everything on every acre simply because we can. We must protect the last best places and restore the rest. Forest Service lands are truly the headwaters of America, supplying river systems and recharging aquifers. They contain riparian, wetland, and coastal areas that are essential for the nation's water supply and prosperity. The President's budget provides an increase of $48.6 million included in programs such as wildlife habitat management, watershed improvements, fisheries habitat management, rangeland vegetation management, threatened and endangered species habitat management, and state and private forest health programs. These increases will allow the Forest Service to make important watershed restoration and protection efforts.

Restoration and maintenance of watershed health is contingent on quality land management planning. As you know, the Committee of Scientists will issue their final recommendations on forest planning soon. I expect they will suggest that we focus planning efforts on long-term sustainability, more effectively link forest planning to budget and funding priorities, practice collaborative stewardship through use of diverse and balanced advisory groups, and allow for adaptive management through monitoring. I look forward to issuance of the Committee of Scientists Report from which revised forest planning regulations will be developed in late Spring. I believe new planning regulations will be invaluable in breaking the forest planning gridlock that is hampering national forest management in so many areas.

A second area of the Natural Resource Agenda is sustainable forest and grassland management. The President is proposing a billion dollar initiative to protect open

space, benefit urban forests, and improve the quality of life for the 80 percent of Americans living in urban and suburban areas. Through sustainable forest and grassland management, the Forest Service will play an essential role in accomplishment of this initiative. The President's budget provides an increase of $113 million in State and Private and Research programs which are integral to protecting and restoring the lands and waters that sustain us. We will collaborate with state fish and wildlife agencies, state foresters, tribes, and others to develop conservation and stewardship plans for an additional 740,000 acres of non-industrial private forestland. We will help states protect an estimated 135,000 additional acres of forestland through acquisitions and conservation easements. We will acquire environmentally sensitive lands through the Land and Water Conservation Fund, and we will include nearly 800 more communities in efforts to conserve urban and community forests. In addition, 300,000 more hours of conservation training will be provided to local communities.

Madam Chairman, I am truly excited about budgetary emphasis in sustainable forest and grassland management through cooperation and collaboration. This emphasis will carry into many programs including fire management where we will employ fire as a tool to meet integrated resource and societal objectives across landscapes. We will give priority to high-risk wildland/urban interface areas where people, homes and personal property are at risk. We will employ fire as a tool to aid threatened and endangered species conservation and recovery, to reduce accumulated fuels within and adjacent to wilderness and reduce fuels to help lower long term costs of suppressing wildfires.

Now I would like to turn to one of the more challenging aspects of the Natural Resource Agenda. That involves management of the National Forest Road System. As you know, on February 11, I announced an interim suspension of road construction in most roadless areas of the national forest system. We offer this timeout to reduce the controversy of roadless area entries in order to reduce damage to a road system which is already in disrepair.

A personal source of frustration is that few people or interest groups are focussed on the issue of our existing road system as opposed to the roadless area issue. Yet if we care about restoring the ecological fabric of the landscape and the health of our watersheds, we must concentrate on areas that are roaded in addition to those that are not.

The President's budget proposes a $22.6 million increase in the road budget, primarily for maintenance. The agency has an estimated road maintenance backlog of over $8 billion. Meanwhile we are only maintaining 18 percent of our roads to the safety and environmental standards to which they were built. With the proposed funding level in the fiscal year 2000 budget, we will increase by 50 percent from 199.8, the miles of road to be decommissioned or stabilized. We will increase the percentage of forest roads maintained to standard from 18 percent to 24 percent.

With roads that could encircle the globe many times, our road system is largely complete. Our challenge is to shrink the system to a size we can afford to maintain while still providing for efficient and safe public access in a manner that protects land health.

Over the next 18 months, we will develop a long term road policy with three primary objectives: (1) develop new analytical tools to help managers determine where, when or if to build new roads, (2) decommission old, unneeded, unauthorized, and other roads that degrade the environment, and (3) selectively upgrade certain roads to help meet changing use patterns on forests and grasslands.

Management of roads is very important to local communities that rely heavily on these roads for livelihoods and rural transportation. I expect decisions about local roads to be made by local managers working with local people and others who use or care about our road system. We will obviously continue to provide access to and through forests. However, it is clear that we simply cannot afford our existing road system.

The fourth element of the Natural Resource Agenda involves recreation. The President's budget provides strong support to the recreation program. With appropriated funds totalling $288 million, and additional funds provided from the recreation fee demonstration project receipts and the ten percent road and trail fund, this program will continue to provide strong support to the 800 million annual visitors which we expect to increase to 1.2 billion over the next 50 years.

The Forest Service recreation strategy focuses on providing customer service and opportunities for all people. The successful recreation fee demonstration program has served many people at the sites operated under the program through improved visitor experiences and repair and upgrade facilities which were badly in need of attention. I strongly support continuation of this program. I do want to pass on one caution lest this program is viewed as an answer for reducing future recreation dis-

cretionary funds. The recreation fee demonstration program serves many people in a limited number of recreation sites. The Forest Service recreation program is highly dispersed. It is the place for a family drive or hike on a Sunday afternoon, a weekend camping trip, or a week long grueling hike in the rugged backcountry. Many of these experiences do not lend themselves to a recreation fee demonstration type program. In fact, less than 10 percent of forest recreation visits occur at fee demonstration sites. As the backyard playground for many Americans, it is essential we maintain a recreation program that allows enjoyment of the national forests without charge in addition to fee programs in limited areas.

A key part of enhancing this dispersed recreation is through our wilderness management program. The President's budget includes an increase of $7 million for protection and restoration of natural conditions in wilderness and to mitigate the impacts of high use areas adjacent to large population centers. The wilderness legacy is a crown jewel. I am committed to increasing the Forest Service commitment to the Wilderness Act and intend to give more emphasis through increased land management planning and re-establishment of a national wilderness field advisory group.

Each of the four emphasis areas of the Natural Resource Agenda links directly to one or more of the goals of the Results Act Strategic Plan. I am pleased that the President's budget supports this plan for moving forward.

Forest Service Accountability

Successful implementation of the President's initiatives and the Natural Resource Agenda is dependent on having the trust of Congress and the American people. To be trusted, we have to be accountable for our performance. We have to be able to identify where our funds are being spent, and what America is receiving in return. We have to do this as efficiently as possible in order to assure that a maximum amount of funds are spent on the ground for intended purposes without being diverted for unnecessary overhead.

Madam Chairman, as you know, the Forest Service has had problems with accountability in the past. We have been the subject of more than 20 oversight reports and internal studies. we have been resoundingly criticized for having poor decision making, either bloated or inaccurate overhead costs, and non-responsive accounting systems. While some of this may be exaggerated, I fully acknowledge that some is true. We've got the message. We will improve dramatically. Let me highlight several initiatives that are now underway.

First and most importantly, I have made it clear through organization changes and personal statements that the business and financial management functions of this agency are equally as important as attention to managing the resources. I have placed business management professionals in operations and financial management positions. We have established a Chief operating officer at the Associate Chief level which reports directly to me, thus placing our business management functions on an operating level equal to that of our natural resource functions. We have brought in a new Chief Financial Officer at the Deputy Chief level to implement the Foundation Financial Information System. This is her top priority, with a goal of achieving a clean financial opinion from the General Accounting office as soon as possible.

It is also time to reform our budget structure. I want to work with the Congress and the Administration to design a budget structure that reflects the work we do and the Results Act Strategic plan on which the Natural Resource Agenda is based. The current budget structure does not support the integrated work necessary to restore and maintain land health while promoting ecological sustainability. In order to ensure accountability while implementing a new budget structure, we will employ land health performance measures to demonstrate that we can have a simplified budget and improve water quality, protect and restore more habitat, and improve forest ecosystem health.

In fiscal year 2000 we will begin to implement reforms to our trust funds. We will examine alternatives for trust fund management in the future to avoid unintended incentives to pursue forest management activities that are not consistent with land health objectives.

For the first time, at the direction of Congress, we have developed and implemented standard definitions for indirect costs which are in full compliance with the Federal Accounting Standards Advisory Board. These definitions have been reviewed by several oversight groups. Based on these definitions, for the first time we have accurately determined indirect expenses for the agency, which during fiscal year 2000 we project to be 18.9 percent.

As you know, the issue of indirect costs, often referred to as overhead, received extensive attention during the 105th Congress, as did the poor quality of our financial system and records. I want to make a specific request as your Committee exam-

ines our budget in the coming year. I ask for your patience and support in rectifying much of our accountability problems. The Forest Service's financial management and reporting of overhead took a decade or more to fall into disrepair. It will take more than a year to fix the problem. Let me emphasize that we are devoting extensive resources to implementing new financial systems, improving our audit processes, and improving decision making. The resources we devote to make these fixes involves expenditures of an overhead type nature. As we concentrate on cleaning up our problems, we need to have flexibility without legislated limitations which could prevent us from being successful.

In my testimony today, I have reviewed the President's initiatives, discussed the Natural Resource Agenda, and described our intent to improve agency accountability. In conclusion, I want to say that a Forest Service that meets the needs of the American people and restores and preserves the health of the nations forests and rangelands, is a goal we all strive for. I'll leave you with some thoughts based on Aldo Leopold's Sand County Almanac; the same words I left with our employees in Missoula during my state of the Forest Service speech.

Let us recommit ourselves to an invigorated nation and land ethic. An ethic that recognized that we cannot meet the needs of people without first securing the health, diversity, and productivity of our lands and waters. An ethic that understands the need to reconnect our communities—both urban and rural—to the lands and waters that sustain them. An ethic that respects that the choices we make today influence the legacy that we bequeath to our children and their children's children.

That concludes my remarks. I would be pleased to answer any questions you may have.

○