

WILDFIRE PREPAREDNESS

HEARING
BEFORE THE
COMMITTEE ON
ENERGY AND NATURAL RESOURCES
UNITED STATES SENATE
ONE HUNDRED EIGHTH CONGRESS
FIRST SESSION

TO GAIN A FIRST HAND UNDERSTANDING OF THE IMPACTS OF LAST
YEAR'S FIRES AND THEN LOOK FORWARD TO THE POTENTIAL 2003
FIRE SEASON

MARCH 13, 2003



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WILDFIRE PREPAREDNESS

THURSDAY, MARCH 13, 2003

U.S. SENATE,
COMMITTEE ON ENERGY AND NATURAL RESOURCES,
Washington, DC.

The committee met, pursuant to notice, at 10:22 a.m., in room SD-366, Dirksen Senate Office Building, Hon. Pete V. Domenici, chairman, presiding.

OPENING STATEMENT OF HON. LARRY E. CRAIG, U.S. SENATOR FROM IDAHO

Senator CRAIG [presiding]. Good morning, everyone. The Senate Energy and Natural Resources Committee will come to order. Chairman Domenici is en route back, but he wanted us to get started. We have had a series of two votes on the floor. So not to detain any of you any longer and also to make sure we have adequate time for your testimony and any questions we may ask, let us start.

It is my pleasure to welcome Assistant Secretary of Policy Management and Budget for the Department of the Interior, Lynn Scarlett. Thank you for being with us this morning.

Assistant Secretary, U.S. Trade and Development Agency, Linda Conlin. Linda, thank you for being with us this morning.

And the Deputy Under Secretary of Natural Resources in the Department of Agriculture, Dave Tenny. Dave, thank you for being with us.

We are here today to review the fiscal year 2002 fire season and the impact of those fires on the environment and local business in an effort to examine preparedness and the impact that could occur in the coming fire season.

I ask the witnesses to summarize their statements. And I ask unanimous consent that their full statements be a part of the record. Each member will then be recognized in order of arrival for purposes of statement and questioning.

So it is an important hearing this morning, as we have done examination to continue and to have a broader understanding also of the impact of fire, not just on the environment, but on the commerce and the economies of communities associated and/or adjacent to fires.

With that, let me turn to the ranking member of the committee for any opening statement he would make, Senator Bingaman.

Senator.

[The prepared statements of Senators Akaka, Feinstein, Kyl and Murkowski follow:]

PREPARED STATEMENT OF HON. DANIEL K. AKAKA, U.S. SENATOR
FROM HAWAII

Thank you, Mr. Chairman, for holding this hearing on a topic that is very important for many of our communities. In Hawaii, we also have areas of drought and high fire risk, so this hearing is timely and appropriate for multiple regions of the country. I am interested to hear what the witnesses have to say.

Unfortunately, it appears that forest fires are inevitable. In North America, extensive fires have been documented in the prehistoric past, in the near past when indigenous people occupied the continent, and in the historical post-contact past. With the dramatic increase of people using national forests and public lands for camping, hiking, off-road vehicle use and dirt bikes, the extension of residential areas into forest lands, and natural causes such as lightning (which caused 15 percent of fires last year), it appears that we are going to have wildfires around for the foreseeable future. The question is how best to integrate them into forest management without sacrificing more acres to invasive harvesting.

PREPARED STATEMENT OF HON. DIANNE FEINSTEIN, U.S. SENATOR
FROM CALIFORNIA

Mr. Chairman, thank you for holding this hearing. Like the rest of us here, I care deeply about the condition of our forests as we head toward another fire season. What is striking to me is that all of us agree on about 80% of the issues here, Democrats and Republicans alike. I want to talk briefly about some of these areas of agreement as we try to figure out ways to improve the condition of our forests.

First, we all agree that we need to train rural industries and empower rural communities to do fuels reduction work. It is a true win-win for the environment and the economy to nurture small-scale rural businesses that use wood products. Whether they are biomass plants, forest products manufacturers or other industries, these small businesses will reduce the cost of hazardous fuel reduction efforts by providing an outlet for the wood.

Second, we agree that an ounce of prevention is worth a pound of cure. We need to spend more money on hazardous fuel reduction, and less on fighting fires after they have started. In a fall 2002 report, the National Academy of Public Administration has suggested that firefighting can be made more efficient. We have a common interest in reining in unnecessary expenditures on fire suppression.

Third, we agree that last year's budget was a mess. The need to spend all available money for fire suppression forced us to cancel hundreds of millions worth of contracts for hazardous fuel reduction and other purposes—only to restore most of the funds a year later. It is terribly disruptive to rural businesses to cancel contracts, and unnecessarily disruptive if we eventually restore the money later. We all agree that we need to find a way to structure our budget to avoid cancelling hundreds of millions of dollars of contracts with rural communities. We need to explore real options here—whether it's increasing funding for firefighting, establishing an emergency reserve fund in the budget, or some other option.

Finally, all of us in the Southwest and most of us in the West have a common problem with beetle bark and similar forest epidemics. Over 150,000 acres of Southern California forests are infested with bark beetles, posing a serious threat to communities such as Lake Arrowhead and Idylwild, and the Governor has declared a State of Emergency. Many of you have similar problems in your states. We agree that we need to find ways to respond quickly to these forest epidemics to reduce their spread if possible before they are out of control.

I deeply hope that recognition of these areas of agreement can help us move forward in a bipartisan fashion to restore our mighty and majestic forests.

PREPARED STATEMENT OF HON. JON KYL, U.S. SENATOR FROM IDAHO

Mr. Chairman, although I appreciate and support the need to focus attention on protecting communities from catastrophic wildfire, it is wrong to believe that limiting hazardous fuel reduction treatments to the wildland/urban interface provides a long-term solution to catastrophic wildfire and the risk it poses to forest communities. It is based on several errors in logic that include: 1) the only thing people in forest communities care about are their homes; 2) that towns can be isolated from catastrophic fire in the greater landscape; and, 3) that hazardous fuel reduction around towns will solve the real problem, which is degraded, and declining forest ecosystems. There are many examples from Arizona that support my position, not

the least of which was the Rodeo/Chediski fire, as well as the numerous community collaborations underway in the state.

Forest communities want to protect more than their homes. Protecting property and lives in fire prone forests is important. However, people live in forest communities because they appreciate, and in many ways are dependent on, the greater forests that surround them. Towns and distant cities consume water flowing from forests, in northern Arizona tourism plays a significant role in the local economy and forests support the fish and wildlife habitat that are important to all citizens.

The interface area is much larger for people in these towns than for people developing policies in Washington. For example, the Greater Flagstaff Forests Partnership (a collaborative group of 25 organizations dedicated to restoring forests in and around Flagstaff) determined that their wildland/urban interface would cover 180,000 acres—not a small buffer around the town. Contrary to the false assumption that a community will want to protect their homes first, the Partnership located their first treatment site at a place called Fort Valley. The site is strategically located to the southwest of the San Francisco Peaks and Kachina Wilderness Area and is designed to protect the peaks from fire leaving the town.

You cannot effectively protect towns from degraded forests. Treating a small area around towns merely gives the illusion of fire protection (particularly when an adequate number of trees are not removed which is often the case). The Rodeo/Chediski, Viveash, Cerro Grande and other fires have demonstrated extreme fire behavior that defies suppression. Plume dominated fires, caused by high fuel loads, can cause burning embers and spotting miles in advance of the main fire. Towns are not an isolated component of the forest; they are human habitat in a forest ecosystem. In dry forest types the greater forest will always burn and so will the towns if the greater forest is ignored.

Hazardous fuel reduction around towns is a short-term response to a symptom of sick forests, not a long-term solution. Forest fires are only one symptom of a sick forest. So are bark beetle outbreaks, declining plant and wildlife habitat, declining water yield and decreased recreational opportunities due to forest closures. The problems we are facing are much greater than the geographically isolated wildland/urban interface. The problem includes the entire forest, the total cost of suppression and the long-term ecological and economic cost of catastrophically burned forest. The data show that fire seasons are lengthening and fires are more frequent, severe and larger. We cannot wait until communities are protected before treating the greater forest. Mr. Chairman, we must fix forests with comprehensive restoration-based treatments that are designed to restore forest health while simultaneously reducing the threat of unnatural fire. This problem is particularly acute for my state, where it will only take six or seven more Rodeo Chediski fires before we have significantly altered the largest contiguous ponderosa pine forest in the world.

PREPARED STATEMENT OF HON. LISA MURKOWSKI, U.S. SENATOR FROM ALASKA

Mr. Chairman thank you for calling this hearing today regarding forest fire impacts and preparedness for 2003.

This is a very important issue to my State of Alaska, and I look forward to hearing the testimony of today's panel.

The 2000 and 2002 fire seasons have been some of the worst on record. Forest fires continue to create many problems for Americans, predominantly in the West.

The danger of fires is most prevalent at the so called "wildland-urban interface." Clearly, the number of people living near wildland areas has increased, and this increases the likelihood of the loss of life and damage to property.

As these dangers have increased, Congress has responded by increasing funding for fire suppression. In fiscal year 1999 Congress appropriated \$1.1 billion for federal wildfire management and this funding doubled by fiscal year 2002, when Congress appropriated \$2.2 billion. These increases are important.

I encourage this committee and Congress to continue full funding for fire suppression. In addition to loss of life and damage to property, forest fires destroy millions of acres of wildlife and fisheries habitat. Of course, scientific evidence shows that some fire is important for some forests to be healthy and grow.

There are many unique issues relating to forest fire in my State of Alaska. When large forest fires break out that cannot be handled by first response local crews and equipment, one of 11 Geographic Area Coordination Centers (GACC) will provide resources for fire suppression. If these geographic area resources cannot adequately fight the fire, then the GACC requests assistance from the National Interagency Coordination Center (NICC).

These resources often come from other states. Alaska is not located adjacent to any other state; therefore it is costly to get resources from other states to Alaska. Also, Alaska lacks a wide range hydrant infrastructure. This requires water to be transported by other means. This too is very expensive.

It is important to mention the damage that has been caused to forests in Alaska, particularly in the Chugach Mountains, and on the Kenai Peninsula, by the spruce bark beetle. The spruce bark beetle has drastically changed some forests in my State. Over 5 million acres of trees in south central and interior Alaska have been lost to insects over the last 10 years. This infestation has been called the most significant terrestrial ecological disturbance to hit the south central region of Alaska in recorded history.

These dead or dying trees, located near many private residences, are very susceptible to fire. Wildfires have occurred in these infested forests. Coupled with the low amount of snowfall Alaska has received the potential for further disaster is great.

We must reduce the environmental restrictions that limit the possibility for forest management. Public land laws should not make it difficult to cut down the dead or dying trees that are nothing but potential fuel for forest fires.

In general, this nation's policy has to allow for responsible forest management that includes the ability to remove, when appropriate, wildfire fuel from forests.

I ask the members of this committee to keep these facts in mind as we consider acting on issues of federal wildfire management. We need to continue to fund federal fire suppression activities and require the Administration to work with state and local agencies in a cooperative manner to ensure that these fires are fought in the best possible way to protect people and property.

Thank you, Mr. Chairman.

**STATEMENT OF HON. JEFF BINGAMAN, U.S. SENATOR
FROM NEW MEXICO**

Senator BINGAMAN. Thank you very much, Mr. Chairman. I appreciate the hearing.

This is a very important set of issues. We have had several hearings on the subjects to be covered here. I am interested in two areas of concern, which I am sure the witnesses will address. One is the funding, and how do we avoid the situation we seem to have had over the last several years, where we do not provide adequate funds in the accounts that are intended for firefighting and, therefore, we shift funds from other accounts into those? That prevents other activities from taking place. So how do we deal with that problem?

The second is the issue about legislative authority and what additional authority this administration is now urging on Congress. We expanded the authority for forest restoration activities substantially in the omnibus appropriation bill last year, and I wanted to find out, if possible, what more is intended.

Thank you very much.

Senator CRAIG. Well, thank you very much, Senator Bingaman.

Let me now turn to our panelists. And we will start this morning with Dave Tenny, the Under Secretary of Natural Resources in the Department of Agriculture.

Dave, if you would proceed, please. And yes, turn your mikes on. Thank you.

**STATEMENT OF DAVID TENNY, DEPUTY UNDER SECRETARY,
NATURAL RESOURCES AND THE ENVIRONMENT, DEPART-
MENT OF AGRICULTURE; ACCOMPANIED BY: JERRY WIL-
LIAMS, DIRECTOR OF FIRE AND AVIATION MANAGEMENT,
FOREST SERVICE; CORBIN NEWMAN, NATIONAL FIRE PLAN
COORDINATOR, FOREST SERVICE; JACK BLACKWELL, PA-
CIFIC SOUTHWEST REGION, FOREST SERVICE; AND ALICE
FORBES, ASSISTANT DIRECTOR OF OPERATIONS, FIRE AND
AVIATION MANAGEMENT**

Mr. TENNY. Thank you, Mr. Chairman. It is a privilege to be with you today. We appreciate the opportunity to appear before the committee to talk about this important issue.

I think the first thing we need to do is thank you for the work that was done to help us out in the omnibus appropriations bill for 2003. The repayment of the fire borrowing is extremely helpful and timely. The funding that was provided at or near the levels that were requested for fire operations and for suppression and further important aspects of the fire plan are appreciated.

The additional authority for stewardship contracting is also greatly appreciated. And we look forward to being able to use those resources and that authority in a way that is going to be positive in addressing the concerns that we are all here to talk about today.

I am joined today, for your information, by a number of people from the Forest Service, who have a lot to do with the things that we are talking about. Jerry Williams is our Director of Fire and Aviation Management with the Forest Service. Corbin Newman is our National Fire Plan Coordinator. Jack Blackwell is with us from the Pacific Southwest Region of the Forest Service. That is California. And then Alice Forbes, who is the Assistant Director of Operations, Fire and Aviation Management is out of our NICC in Boise, Idaho. And certainly these folks are available, if you have questions that you would like to direct directly to any of them. I would be happy to accommodate those.

What I would like to do—you have the written testimony. And in our seamless fashion, we have one piece of testimony between the Department of Agriculture and Department of the Interior. I would like to summarize my remarks by addressing a portion of what we have stated in that testimony, and then Lynn Scarlett from the Department of the Interior will carry on from there and talk about the remainder of it.

I would like to address three things: First, a summary, a very brief summary, of the 2002 fire season, what we observed, what occurred; secondly, an outlook of what the 2003 fire season might look like; and then finally, a brief discussion of what we are doing to prepare for this upcoming fire season.

There is some good news about the 2002 fire season, believe it or not. The good news was that because of the resources that were made available to the agencies, we were able to succeed in prosecuting fires on an initial attack in 99 percent of the cases. That is important. We were able to pre-position our resources where we needed them, where we knew the fires were likely to be severe. And because of that, we were able to minimize, to a large extent, the outbreak of large conflagrations.

We were also able to provide assistance to 11,000 communities on the prevention side of the ledger. And we were able to provide training and equipment to 5,000 rural and volunteer fire departments throughout the country.

In addition to that, and notwithstanding the severity of the fire season, we were able to treat 2.2 million acres of land in natural fuels treatment activities that needed to be done. That actually exceeded the target that we had set for ourselves between the two departments by almost 200,000 acres.

Now there is good news and then there is other news. Notwithstanding the fact that we were able to contain most of our fires on an initial attack, those that got out of control were monsters. And we saw them. We heard about them. We read about them in the newspapers. We saw them on the national news. We had the worst fires recorded in the State of Arizona and Colorado and Oregon in their history. These were destructive fires. They were devastating to communities. They were devastating to the environment.

We had 62 days at fire preparedness level five. That is our highest level of preparedness. That was a full 6 weeks ahead of schedule, ahead of our earliest beginning point, at which we reached that fire preparedness level five. It was 22 days longer than the record length of time that was experienced in 2000. We saw nationally 7.2 million acres burned. And the cost was extraordinary in terms of the financial resources that we had to use to fight these fires. \$1.6 billion was spent on suppression, the costliest fire season in history. And we all saw the impact that that had on the day-to-day operations of the agency, as we had to borrow deeply from our funds to cover those costs.

That is one aspect of cost, the direct cost of suppression. There were other costs that were also incurred because of these fires. And I will just tick through them fairly quickly. There were costs in air quality. The Arizona Department of Environmental Quality determined that the Rodeo/Chediski fire was an air quality public health emergency in that State for 10 days, from June 20 through June 30. That affected over 30,000 people.

Because we were able to deploy smoke samplers on these major fire sites, we were able to track this information. And it found, for example, in Colorado that the Missionary Ridge fire recorded particulate matters levels that were considered hazardous to people's health. That meant they would likely increase their visits to health care providers and cause respiratory problems. Downtown Denver measured unhealthy levels of particulate matter that were the highest ever recorded in that State's history.

Smoke from the Biscuit fire in Oregon and other large fires in Oregon caused the Department of Environmental Quality in that State to issue air pollution advisories to the public. That is air quality.

There were also costs in terms of habitat. The localized impact of some of these fires on the habitat of important species was also of concern to us. The Biscuit fire in Oregon, for example, destroyed 85,000 acres of nesting, foraging, and roosting habitat for the northern spotted owl.

The Rodeo/Chediski fire destroyed 55 of the 962 identified protected activity centers for the Mexican spotted owl. That was a 5-

percent decline or a 5-percent removal of those protected activity centers.

The Missionary Ridge fire in Colorado burned 15,000 acres of lynx denning and winter foraging habitat. The Hayman fire in Colorado burned 22 percent of the designated critical habitat for the Mexican spotted owl on the Pike National Forest. And that included one of the two most northern sites occupied by this owl in recent years.

The fire season was costly in terms of water quality. And we have yet to see what some of those impacts are going to be, especially in areas like Colorado, where the Hayman fire surrounded the Cheeseman Reservoir, which is a reservoir that provides a source of drinking water to the Denver community. We recall that in years past, when fires burned in Colorado around this area, that we had extreme cases of siltation in the rivers and in the reservoir that was very costly to the State to clean out in order to provide the supply of drinking water, let alone the quality of drinking water that was envisioned by the State under its long-term planning.

There are other costs as well. And it would take a fair amount of time to go through all of them. Not only the resource costs, but the other ancillary economic costs to communities when people are displaced, when jobs are interrupted, when commerce is interrupted. And there is lots more to be said about that.

The outlook for the 2003 season: I wish I could say that it is going to be a lot better. But at this point, it looks as though we are going to have another challenging season. We have a map here that will give you an idea of what it looks like. What you see in the red crosshatch are areas of concern where they are going to have above-normal—where we anticipate, unless weather conditions change from what we predict, we predict above-normal fire activity. Areas in crosshatch green will experience below-normal fire activity.

As you can see, the drought that we are experiencing, which in some cases is the worst drought on record, is going to persist and intensify over much of the interior West. We have above-normal fire season predicted in the Pacific Northwest, the Northern and Central Rockies, California, portions of the Southwest, and in the Great Lakes.

We are endeavoring to prepare, and I think we have prepared for this fire season. There are a couple of issues of particular concern that are important. We have roughly the same level of preparedness this year that we had last year. That is important, because the pre-positioning of resources enables us to prosecute fires on an initial attack effectively.

We have been coordinating and continue to coordinate with the National Guard and with the Department of Defense to ensure that, if needed, the reserves that we called upon last year are going to be available notwithstanding the potential for war.

We have cooperative agreements in place with New Zealand and with Australia and with the Canadians to ensure that we have sufficient managerial experience on large incidents should we need to call upon those resources.

We have plans and contracts in place for heavy lift helicopters, for our modular firefighting aircraft that we have used in the past to ensure that we have enough aviation support to prosecute these fires, as well, notwithstanding the fact that we had to ground our C-130s and our PD4Ys because of fatalities that occurred last year.

We do have some areas where we might see a bit of concern, as we move forward into this next fire season, probably the most important of which is the fact that State funds are declining, State budgets are in deficit. And that is having an impact on our first responders, who are funded at the rural and volunteer fire department level. Notwithstanding that, we are continuing to provide the support that has been given to us through the appropriations from Congress in providing the same level of help that we have provided to these local responders in the past.

Now this is what we are doing in a reactive mode. But really, to get beyond the problem we have to be proactive, and I think we all recognize that. The proactive side of the ledger is of paramount importance. And that really is the basis for the President's Healthy Forest Initiative. Lynn Scarlett, who is here representing the Department of the Interior, is going to talk to that part of the equation.

That concludes my testimony. I look forward to your questions.

The CHAIRMAN [presiding]. Thank you very much, Mr. Secretary.

I apologize for the delay. But I got in late on the last boat and had to make sure that I got back over there to make it.

So thank you very much, Senator Craig, for starting the hearing.

We are now going to have Lynn Scarlett, Assistant Secretary for Policy, Management and Budget for the Department of the Interior. We have your written testimony. It will be made a part of the record. And please proceed to summarize it for us.

**STATEMENT OF LYNN SCARLETT, ASSISTANT SECRETARY,
POLICY, MANAGEMENT AND BUDGET, DEPARTMENT OF THE
INTERIOR**

Ms. SCARLETT. Thank you, Mr. Chairman and members of the committee. We really appreciate at the Interior Department having the opportunity to discuss this critical issue with you today. I would also like to thank you for the tremendous efforts, as Dave Tenny did, that Congress has provided us, both in terms of the stewardship contracting authority and the resources to enable us to pursue the efforts that we have undertaken.

I would like to point out that since the initial funding of the National Fire Plan, the first year of that funding in 2002, the Department of the Interior has made substantial progress in increasing its capacity building for both initial attack and extended attack. We now have nearly 1,800 front line additional firefighters and a significant amount of additional equipment to enable us to do our job.

We are confident that in the year coming forward we will be able to maintain the readiness that we had built up over the last 2 years. Firefighting, however, as Dave pointed out, is but one aspect of our efforts to protect communities and natural resources. Also key to our efforts is a more proactive effort to reduce hazardous fuels through a variety of treatment techniques essential to reducing the very unnatural levels of fuel buildup in our forests.

As you no doubt have heard before, some 190 million acres of Federal forest and range lands in the lower 48 States face high risk of catastrophic fire because of the high buildup of dense forest materials. Reducing those fuel loads, we believe, is essential to mitigating the risk not only to communities, but also to ecosystems as well.

Prior to the National Fire Plan in fiscal year 2000, the Department of the Interior completed about 480,000 acres of hazardous fuels reduction activities. By 2002, I am pleased to say that we actually completed nearly 1.1 million acres of fuels treatment, a more than doubling in just a 2-year period, showing the investment we are putting in this effort.

Key to reducing fuels and in particular reducing risk is prioritizing this effort. So we are focusing our efforts on the WUIA, the Wildland Urban Interface Area. We are focusing on the municipal watershed areas. Also key is coordination. We are working very closely with the National Association of Counties, with the State foresters, with the Western Governors Association in collaboration to help identify priority fuels treatment projects. We think that this coordinated effort to really target our focus on priority risk areas will help us to get greater bang for the buck and greater risk reduction.

As you all know and as Dave has alluded to, the impacts of catastrophic fires to local communities are profound, both on the natural resources and on lives and property. Just as a few examples, the Rodeo/Chediski fire inflicted enormous resource and economic impacts to the White Mountain Apache tribe. It destroyed some 60 percent of the tribe's timber, resulting both in loss of investment and adversely affecting long-term employment opportunities.

The fire also, and other fires, have had severe impacts on human lives through potential flooding and erosion. High erosion hazards often threaten municipal watersheds, as Dave Tenny noted.

Wildlife habitat also suffers. For example, if we look at the Biscuit fire in Oregon last summer, it destroyed some 80,000 acres of nesting and roosting habitat for the Northern spotted owl. Many other species throughout the regions that experienced these catastrophic fires have a similar tale to tell.

Many challenges, despite our advances, lie before us; and, hence, the President's Healthy Forest Initiative, in its effort to give us the tools to address some of those challenges. We seek to restore the lands to a condition where they can resist disease, where they can resist invasive species, where they can resist insects and hence be much less vulnerable to catastrophic fires, fires that can burn at extremely high and unnatural intensities.

With the Forest Service, the States, tribes, and local partners, we are moving forward on our Healthy Forest Initiative. And I want to highlight just a few of those efforts.

First, we have collaborative agreement with our partners to prioritize, as I noted, the selection of fuels treatment projects. This is the foundation of our 10-year comprehensive strategy and implementation plan. We have developed two guidance documents to expedite consultation on the Endangered Species Act, so that we can move our fuels treatment projects forward expeditiously while maintaining the consultation requirements of the Act and ensuring

protection of those species. We have also proposed two categorical exclusions for hazardous fuel reduction and post-wildfire resource and rehabilitation.

In addition, we had proposed, as part of that initiative, the stewardship contracting provisions which Congress has provided us. And we are now working to develop the priorities and outlines for implementing that contracting authority.

We have also worked with NOAA and our Fish and Wildlife Service to develop guidance documents relating to taking into account net benefits; that is, short-term harm to species versus the long-term, tremendously costly harm that catastrophic fires can generate.

We look forward to working with you to continue to give us the tools that we need to move forward expeditiously with these projects. We have expedited our own appeals process, not changing the process, keeping full access to citizens to the participation that they both desire and need, but through an expedited process ensuring that those appeals go to the front of the list so that they get early resolution.

I look forward to discussing with you any future Healthy Forest Initiative actions that Congress might wish to work with us on and am happy to answer any additional questions.

Thank you.

The CHAIRMAN. I thank you very much for your testimony.

[The prepared statement of Mr. Tenny and Ms. Scarlett follows:]

PREPARED STATEMENT OF DAVID TENNY, DEPUTY UNDER SECRETARY,
NATURAL RESOURCES AND THE ENVIRONMENT, DEPARTMENT OF AGRICULTURE

AND

LYNN SCARLETT, ASSISTANT SECRETARY, POLICY, MANAGEMENT, AND BUDGET,
DEPARTMENT OF THE INTERIOR

Mr. Chairman and members of the Committee, thank you for the opportunity to meet with you today. Since the Department of the Interior and the Department of Agriculture work closely together in fire management and in implementing the National Fire Plan, it is appropriate to use one statement to talk about the 2002 wildland fire season, and discuss our work on the National Fire Plan and the President's Healthy Forest Initiative. President Bush's proposed Healthy Forests Initiative is based upon a common-sense approach to reducing the threat of catastrophic wildfires by restoring forest and rangeland health. Our goal is to ensure the long-term safety and health of communities and natural resources in our care. Our responsibility is to ensure the long-term health of our forests and rangelands for the use, benefit and enjoyment of our citizens and for generations to come.

As we move into the 2003 fire season, fighting wildland fires is only one aspect of the work we must do to protect communities; we must also reduce the amount of hazardous fuels, and restore healthy ecosystems to protect communities and our natural resources.

NATIONAL FIRE PLAN

With the fire adapted ecosystems of North America, we have the challenging task of reducing fuels and the vulnerability of our communities to wildfire while restoring the health of our forests and rangelands. This challenge is national and long term in scope. Of the three factors that most influence wildland fire behavior—weather, topography, and fuel—land managers can effectively affect only fuel. Since the severe 2000 wildland fire season, Congress has funded the National Fire Plan for federal agencies to work on a long-term program to reduce fire risk and restore healthy fire-adapted ecosystems in the Nation's forests and rangelands. Federal agency field units, States, Tribes, and other partners have been busy, putting into action the concepts of the National Fire Plan. Bipartisan Congressional support provided the funding necessary in 2002 for 17,400 federal fire employees and thousands

of contract fire personnel to prevent, detect, and suppress wildland fires, treat hazardous fuels, and provide leadership for the organizations. In 2002, despite the severe drought, the Forest Service and the Department of the Interior accomplished a total of 2.2 million acres of hazardous fuels reduction; of that, almost 1 million acres were in the wildland urban interface. This is 168,000 acres more than 2001. We also reduced hazardous fuels on slightly more than 1 million additional acres through wildland fire use. For 2003, we anticipate treating 2.5 million acres of hazardous fuels of which 1.1 million acres are in the wildland urban interface.

Recently, the Forest Service, Department of the Interior, National Association of State Foresters and National Association of Counties agreed to a collaborative process to identify fuels treatments. In order to more expeditiously protect communities and improve forest and rangeland health, the parties agreed to coordinate this process across ownerships and jurisdictions.

2002 FIRE SEASON

The 2002 wildland fire season was intense, difficult, and historic. Long-term drought over most of the West contributed to an earlier and very severe fire season. Fires burned in every type of vegetation from grasslands to subalpine pine and in every type of ownership. Of the 7.2 million acres burned in 2002, only a few wildfires were the large, uncontrolled fires seen on television. These were the fires that burned in and around wildland-urban interface areas requiring extensive evacuations of communities, subdivisions, and ranches. Fire activity was intensified by unfavorable weather conditions and in many situations posed a safety threat to firefighters and members of the public.

Large wildfires can create unhealthy air conditions. In 2002, at the request of certain local health agencies, the Forest Service, Bureau of Land Management, Fish and Wildlife Service, and EPA cooperated in deploying air quality monitors near where the public might be affected by the smoke. On the Hayman and Rodeo-Chedeski fires, the smoke at all of the special sites did not reach unhealthy levels as defined by the National Ambient Air Quality Standards or state alert levels. On the Missionary Ridge fire, the monitor at Bayfield exceeded the one-hour PM_{2.5} alert levels, which means that air quality was more hazardous to people's health. State of Colorado monitoring in downtown Denver, however, measured unhealthy levels and were the highest levels ever measured. The Biscuit Fire in Oregon also had high (unhealthy) levels from wildfire smoke. The smoke from these wildfires reached more unhealthy levels and was of a much longer duration than any that might be produced by prescribed burning. Prescribed burns are of shorter duration, are done under conditions that disperse smoke, and are in compliance with states' smoke management programs.

When we realized the potential severity of the 2002 wildland fire season, we hired seasonal firefighters early and we staged firefighting crews and equipment in locations where they could be mobilized quickly and effectively. Federal wildland fire agencies had enhanced initial attack capabilities in Arizona, New Mexico, Colorado, Montana, and Nevada by pre-positioning resources ranging from air support, to hand crews, to engines in strategic locations. Although several fires were large, the additional resources made a difference in reducing the size of many of the fires. Without the added National Fire Plan support, our response would not have been as strong. Initial attack suppression activities were highly successful, as about 98% of 2002 wildfires were stopped during initial attack. We sustained 62 days of Preparedness Level 5, our highest level of activity, 22 days longer than the 2000 wildland fire season, another record year. Modular Airborne Firefighting System military aircraft were based in Colorado, Utah, Washington, Idaho, and California to support ground fireline building activities. One battalion from the U.S. Army, Task Force Destroyer (1/5 FA 1st Battalion, 5th Regiment) Fort Riley, Kansas was also assigned for 30 days. International firefighting assistance was provided by Canada, Australia, and New Zealand. These international resources provided a total of thirty-nine 20-person hand crews, and 131 overhead or management personnel assisted in fire suppression activities across the West.

ENVIRONMENTAL EFFECTS OF WILDFIRE

For most of the twentieth century, all wildland fires were generally thought to be bad. As a result, fires were suppressed as soon as possible to reduce their negative effect. Aggressive fire suppression was effective but had an unintended consequence. The frequency and intensity of wildfires appears to have increased due to the buildup of fuels such as dead and dying trees and dense growth of flammable vegetation. Fire exclusion resulted in woody species encroachment into shrublands and grasslands, altered wildlife diversity and populations patterns through habitat

modification, and increased disease, insect infestations, and invasive plant species. This build up of fuel coupled with other factors like drought have raised increasing concerns about the overall wildland condition and particularly the health of the forest and rangelands.

These conditions of increased fuel and severe drought have resulted in increasingly large and severe wildland fires. Damage to watersheds is the most undesirable environmental impact associated with these large and severe fires. Damage to wildlife habitat and forests, temporary but reduced air quality, and erosion, also are the undesirable effects of large and severe fires. Where these types of fire occur in the wildland urban interface, the risks to people and the expense are greater.

However, where the natural fire return interval has been maintained through prescribed burning or where the buildup of fuels, such as thick understory and dense trees, have been thinned by environmentally sound forest management practices, these wildfires can be beneficial. This is particularly so in plant communities that have historically experienced frequent light fires such as ponderosa pine. Light and moderate fires generally leave the soil intact, recycle nutrients, and stimulate the regeneration of many beneficial plant species. These fires often create a patchy mosaic on the landscape, increasing the overall biological diversity or health of the area over the long term.

2002 REHABILITATION AND RESTORATION

Rehabilitation and restoration are critical parts of responding to the aftermath of wildfire. These efforts focus on lands unlikely to recover quickly and naturally from wildfire. Rehabilitation activities generally take several years and include reforestation, watershed restoration, road and trail rehabilitation, noxious weed control, and fish and wildlife habitat restoration. Native plants and trees are used whenever possible.

The majority of the work to be accomplished in FY 2003 results from the negative fire effects from the Rodeo/Chediski, Hayman, McNally, Biscuit, and Missionary Ridge Fires of 2002. Treatments planned in FY 2003 will accelerate the restoration of forested ecosystems and wildlife habitat, will more rapidly improve water quality, and allow for earlier access for visitation to National Forests by returning recreational facilities to safe conditions.

Previous commitments and priorities for rehabilitation of damage caused by the fires of 2000, are also the focus of this years planned rehabilitation and restoration efforts. These priorities include completing multi-year reforestation work already underway with nurseries, and continuing watershed and road work provided for in the Bitterroot Settlement agreement.

Through Burned Area Emergency Response (BAER) plans in 2002, \$72 million was made available for immediate emergency stabilization after fires. This post-fire work focuses on preventing additional damage to the land, and minimizing threats to life or property resulting from the effects of fire. This work typically begins before the fire is completely contained and is generally accomplished with the first year after the fire.

Like the Forest Service, the Department of the Interior experienced a demanding workload for stabilizing and rehabilitating burned areas after wildfires. Interior made \$78.5 million available for emergency stabilization and burned area rehabilitation last year, with \$15 million carrying over to continue stabilization efforts this year. The carryover from FY 2002 plus the FY 2003 appropriation will provide the Department with \$35 million for emergency stabilization and rehabilitation in FY 2003. This funding has been targeted to priority projects to protect public health and safety, protect municipal water supplies, threatened and endangered species habitat, and prevent invasive plant establishment.

SAFETY

We thank you and your committee for your support of the men and women who make up our firefighting corps. Our firefighters do an impressive job under adverse conditions and they deserve our thanks and admiration. Firefighting is a high risk, high consequence activity. Following the Thirtymile Fire tragedy in July 2001, where four firefighters lost their lives, we reexamined our safety programs and made a number of improvements. Through training and reinforcement, we are emphasizing management of firefighter fatigue, use of the 10 Standard Fire Orders and the 18 Watch Out situations. We have revamped our training to include findings and lessons learned from the Thirtymile incident. Firefighter briefings now include standard components that address planned suppression operations, hazards and risks, critical fuels and weather conditions, and other crucial information. We have

an improved fire shelter which is used as a "last resort" tool and a key component of fire fighter safety equipment.

Despite our efforts, there were 23 fire-related Federal, states, or volunteer fatalities in the 2002 wildland fire season. Over half the fatalities were contractors to federal agencies; most of the fatalities were the result of vehicle accidents, some attributed to fatigue. Therefore, we are including in FY 2003 contracts federal firefighter work-rest guidelines to minimize fatigue for contracted firefighters and support personnel. Six fatalities resulted from 3 aviation accidents. The Forest Service and Bureau of Land Management commissioned an aviation blue-ribbon panel that surveyed the aviation program and made findings. Based on the findings, the Departments made several changes to the aviation program, including extensive inspections of airtankers as well as grounding other aircraft until air worthiness can be assured. In addition, Sandia Lab in Albuquerque is developing increased aircraft safety criteria for Forest Service contracted aircraft.

WHAT COMMUNITIES CAN DO

More than 2,000 structures were lost to wildfires last year. Of the structures destroyed, 835 were primary residences, 46 were commercial properties, and 1,500 were outbuildings. Communities can help themselves to prevent this sort of loss in the future. Indeed, with our State Forester partners through the State Fire Assistance program, we assisted over 11,000 communities by developing local projects on fire prevention, fire suppression, hazard mitigation, and creating FIREWISE communities. In 2002, both Departments helped over 5,000 rural and volunteer fire departments by providing training, protective fire clothing, and firefighting equipment through the Volunteer and Rural Fire Assistance programs. Additional efforts will promote partnerships, community action plans, and projects where communities can themselves reduce fuel hazards, improve building codes, and create fire resistant landscapes.

National fire prevention teams were activated throughout the year in many Western states where fire danger was extreme. Teams were dispatched for month-long assignments to assist local resources in assessing human-caused fire starts. Once assessments are complete, these trained fire prevention professionals prepare a site-specific strategy of unique fire prevention solutions for the area. Fire prevention teams were placed in Salt Lake City, UT, Santa Fe, NM, Custer, SD, Seattle, WA, Sequoia National Forest, CA, and Colorado Springs and Durango, CO.

In addition, citizens can take action through the FIREWISE program, which helps people who live or vacation in fire-prone areas educate themselves about wildland fire protection. Homeowners can learn how to protect their homes with a survivable space and how to landscape their yard with fire resistant materials. A consortium of wildland fire agencies that include the Forest Service, the Department of the Interior, the National Fire Protection Association, and the National Association of State Foresters sponsors the program.

COSTS

There is no question that fighting these fires was expensive—the total cost for both Departments was almost \$1.6 billion. The Forest Service transferred approximately \$1 billion from other accounts to fund fire suppression costs. We want to thank Congress for acting upon the Administration's request for repayment. The Forest Service has established a priority process to repay the accounts from which funds were transferred, and every effort will be made to repay these in a timely fashion.

Interior also had emergency wildfire response costs that exceeded funding available within the fire management appropriation by more than \$250 million last year. The Secretary transferred \$240 million from the construction and land acquisition accounts of the land management bureaus and BIA to cover most of the additional costs for emergency suppression and stabilization. The fire program also reprogrammed \$14 million intended for fire facility maintenance and construction and hazardous fuels reduction projects.

Recent criticism of how the Forest Service and the Department of the Interior spend funds to suppress wildfire is of great concern to the Departments and the agencies. In response to criticisms that occurred during this past fire season, Forest Service Chief Dale Bosworth in cooperation with Interior agencies promptly dispatched an accountability team to review specific expenses and policies that may have contributed to unnecessary expenditures on large fires. As a result of this and other interagency efforts, new procedures have been established that will focus on cost containment strategies in suppressing wildfire and eliminating unnecessary expenses; establish clearer financial management accountability of incident command-

ers and line officers; and provide for improved controls and incentives for suppression costs.

Additionally, the Forest Service and the Department of the Interior will fully implement performance measures that reflect the level of risk reduced by treatments as part of the interagency effort to increase accountability of Federal wildland fire management efforts.

In implementing these performance measures, it is important to emphasize that firefighter safety and the protection of communities will not be compromised. As we focus on an efficient wildland firefighting organization, we must not lose sight of the fact that fire suppression often is an expensive operation where major costs will be most substantially reduced by accomplishing the goals of the President's Healthy Forests Initiative and the National Fire Plan.

2003 SEASONAL WILDLAND FIRE OUTLOOK

At this time, our experts at the National Interagency Coordination Center (NICC) in Boise, Idaho, indicate that long term drought persists and is expected to intensify over much of the interior West. Mountain snow pack and precipitation remains below average for most of the western states with the exception of northern and central California. The outlook for February through April calls for above normal temperatures and below normal precipitation over the Pacific Northwest, Northern Rockies, portions of the Great Lakes, and the Ohio River Valley. Unless the weather patterns provide relief, 2003 has the potential for an above normal fire season in these areas, especially in the interior West, the Lake states, and northern Maine.

Drought conditions and dense vegetation increase the risk of wildfires that burn longer, faster, and more intensely. We know that fire historically played a positive role in sustaining ecological stability. Where appropriate, we will manage wildland fire use as prescribed in land and resource management plans. However, because of the altered condition of many forests and grasslands, use of fire for forest management has become much more complex. It requires scientific support and new tools to help plan, implement and monitor fire management activities. One of these tools is the President's Healthy Forest Initiative.

THE PRESIDENT'S HEALTHY FOREST INITIATIVE

In May 2002, working with the Western Governors' Association and a broad cross-section of interests including county commissioners, state foresters, tribal officials and other stakeholders, we reached consensus on a 10-Year Comprehensive Strategy and Implementation Plan to reduce fire risks to communities and the environment. The plan sets forth the blueprint for making communities and the environment safer from destructive wildfires. The plan calls for active forest management focusing on hazardous fuels reduction both in the wildland-urban interface and across the broader landscape. Active forest management includes: thinning trees from over-dense stands that produce commercial or pre-commercial products, biomass removal and utilization, and prescribed fire and other fuels reduction tools.

In order for the 10-Year Implementation Plan to succeed, the Forest Service and Interior agencies must be able to implement critical fuels reduction and restoration projects associated with the plan goals in a timely manner. Often, however, the agencies are constrained by procedural requirements and litigation that delay actual on-the-ground implementation. As we testified last September, the three factors most contributing to project delay are: 1) excessive analysis; 2) ineffective public involvement; and 3) management inefficiencies. We have reached a point where we must change to allow agencies to implement management decisions to achieve healthy forests and rangelands.

On August 22, 2002, President Bush announced *Healthy Forests: An Initiative for Wildfire Prevention and Stronger Communities*. The Healthy Forest Initiative would implement core components of the 10-Year Implementation Plan, enhancing and facilitating the work and collaboration agreed to in that document.

The President's initiative directs us, together with Council on Environmental Quality Chairman Connaughton, to: improve procedures for collaborative selection and implementation of fuels treatments and forest and rangeland restoration projects; reduce the number of overlapping environmental reviews; develop guidance for weighing the short-term risks against the long-term benefits of fuels treatment and restoration projects; and develop guidance to ensure consistent NEPA procedures for fuels treatment activities and restoration activities. We will report today on several actions the Secretaries have taken to accomplish these objectives.

ADMINISTRATIVE ACTIONS

The USDA Forest Service and the Department of Interior have proposed two categorical exclusions that can be utilized in certain circumstances by the agencies to carry out hazardous fuel reduction and post-wildfire resource activities and activities infrastructure rehabilitation. These two categorical exclusions were based on an analysis of over 3,000 hazardous fuel reduction and post-wildfire restoration projects. Our analysis of these activities has shown that these types of narrowly defined actions have not resulted in individually or cumulatively significant environmental impacts, and therefore, may be conducted without preparation of an environmental assessment or environmental impact statement. We expect to publish final categorical exclusions later this year.

A categorical exclusion may not always be the appropriate level of analysis; each project is different and some may not meet the criteria for use of a CE. Therefore, Chairman Connaughton has issued guidance which clarifies the policy on the preparation of environmental assessments for fuels treatments. The clarification addresses the purpose and content of a model Environmental Assessment for fuels treatments. The guidance is being applied initially to ten Interior and five Forest Service projects to test the adequacy of the model EA to address the impacts typically found in fuels treatment projects. Process lessons learned in developing these projects will be shared widely throughout all agencies for application to additional projects.

The Forest Service has proposed revising its implementing regulations under the Appeals Reform Act. Proposed changes are designed to encourage early and meaningful public participation in project planning, rather than focusing the public on review of a completed EA and on appeal of a decision after it has been made. The proposal gives the line officer discretion over the timing of the 30-day notice and comment period, rather than requiring that it take place after the environmental assessment is complete. There would also be limitations on appeals based on early project involvement and on raising new issues that had not previously been raised. A final policy is expected to be published later this year.

The Department of the Interior's Office of Hearings and Appeals (OHA) and the BLM are proposing a series of changes to their administrative rules, to streamline their appeals process for hazardous fuels treatment projects. Interior wants to ensure that appeals from decisions involving either forest or rangeland health are resolved quickly without depriving the public of the right to participate in the administrative process. Frequently, delaying a project can be the same as stopping a project. The proposed rules would require OHA to resolve any appeal involving forest or rangeland health within sixty days from the filing of all paperwork from the parties. Forest and rangeland health appeals will not be subject to any different standards than other types of appeals. Under this proposal, they must simply be handled first. The proposed rules also contain a number of technical changes that will allow OHA to do its job more efficiently and apply rules more consistently.

The Fish and Wildlife Service and the National Oceanic and Atmospheric Administration issued a joint guidance memo on Endangered Species Act Section 7 consultation in October, 2002. It emphasizes the use of programmatic interagency consultation under the Endangered Species Act for Healthy Forests Initiative projects. It also emphasizes the grouping of multiple projects into one consultation. These agencies also issued joint guidance in December, 2002 providing direction on how to fully consider and balance potential short- and long-term beneficial and adverse impacts to endangered species when evaluating proposed Healthy Forests Initiative projects.

In addition to these Healthy Forests Initiative actions, the Forest Service has proposed the addition of three new timber harvest categorical exclusions (CEs) to its authorities. Projects would include limited timber harvesting of live trees, salvage harvests, and sanitation of dead and dying trees for insect and disease control. Projects of this nature occur routinely as part of managing National Forest System lands.

LEGISLATIVE ACTIONS

In August 2002, the Administration transmitted legislation to implement the Healthy Forest Initiative. Recently, the Congress passed the Consolidated Appropriations Resolution, 2003 [PL 108-7]. Section 323 of the Act contains stewardship contracting language that includes the Bureau of Land Management and extends authority through fiscal year 2013 for the Forest Service to enter into long-term stewardship contracts with the private sector, non-profit organizations, local communities, and other entities. Long-term contracts provide contractors the opportunity to invest in equipment and infrastructure needed to productively use material generated from forest thinning to make forest products or to produce energy.

The Departments are currently developing public involvement methods and are working with the state Governors, counties and interested parties to develop procedures for stewardship contracting.

As the Committee knows, the President's budget included proposals for the Healthy Forest Initiative. We look forward to working with your Committee to develop Healthy Forest legislation and pledge our cooperation.

SUMMARY

With the outlook for an upcoming severe fire season, the five federal land-managing agencies and our partners at the State and local level are doing all that we can to be prepared. Safety of firefighters and communities is our first priority. With the fire adapted ecosystems of North America, we have the challenging task of reducing fuels and the vulnerability of our communities to wildfire while restoring the health of our forests and rangelands. This challenge is national and long term in scope. The 10-Year Implementation Plan and the Wildland Fire Leadership Council will continue to foster cooperation and communication among Federal agencies, States, local governments, Tribes, and interested groups and citizens. With your continued help, all the agencies can accomplish robust performance-based programs for the nation's forests and rangelands, and do so in full collaboration with state governments, communities, Congress and the American people.

We look forward to working with you in implementing the agency's programs and would be happy to answer any questions.

The CHAIRMAN. And now we will take Linda Conlin, Assistant Secretary for the U.S. Trade and Development. It is nice to have you here. And the same holds for you as regards your testimony.

STATEMENT OF LINDA MYSLIWY CONLIN, ASSISTANT SECRETARY OF COMMERCE FOR TRADE DEVELOPMENT, ACCOMPANIED BY DOUG BAKER, DEPUTY ASSISTANT SECRETARY FOR TOURISM, DEPARTMENT OF COMMERCE

Ms. CONLIN. Thank you, Mr. Chairman.

Thank you, Chairman Domenici and members of the committee, for inviting me here to testify before the Energy and Natural Resources Committee. I would like to submit my written testimony for the record.

Last fall, my colleague from the Department of Commerce, Deputy Assistant Secretary for Tourism, Doug Baker—who is with me here today—and I joined colleagues from the Departments of Agriculture and Interior on visits to States that were severely impacted by what is recognized as the second largest fire season that we have had in the last 50 years.

It was during a town hall meeting in Show Low, Arizona, that I came to understand the concerns of ranchers, business owners, families, and local county officials and mayors. The people of Show Low were deeply impacted by the fires. And they were very fearful of what they might face in the future, if their concerns about forest management were not addressed.

They asked that the management of public lands promote stability and predictability in the use and maintenance of the public lands surrounding their communities. And they ask that the managers of these public lands be allowed the flexibility to adapt to changing social, economic, and ecological conditions.

Today what I would like to share with you is the connection between tourism and these devastating fires and the impact upon tourism and what we, within the Department of Commerce, can do to help restore tourism to the gateway communities affected by these fires.

Often when we think of tourism in America, we think of Disney World, Las Vegas, and the Big Apple. And these certainly are popular destinations. But tourism is also about thousands and thousands of small and medium-sized businesses throughout the United States. In fact, 90 percent of tourism-related companies are small and medium-sized businesses. There are communities like Show Low all over this country that depend upon restaurants, hotels, motels, local historic and natural attractions, and other service-oriented businesses for revenues and for jobs. When visitation is disrupted, it is these companies and their employees who feel the most immediate impact.

And we also know that international travelers, unfamiliar with State geography, are likely to believe that a fire in one region could prohibit travel to an entire State or, I would also venture to say, to an entire region. And this can have severe economic consequences for communities around our natural areas, especially when you consider that the National Park Service estimates that 20 percent of its visitors are, indeed, international visitors.

In fact, many of us remember the 1988 fires in Yellowstone. The number of visitors to Yellowstone dropped by almost 400,000 when compared to 1987 visitation numbers.

Now while complete data is not available to assess the impact of the fires of 2002, I would like to quickly just cite one or two examples from Arizona. According to the Arizona Department of Revenue, Arizona lodging and lodging tax revenue were down nearly four percent in 2002 compared to 2001. According to the National Park Service, 2002 visitation to Arizona's national parks were down eight percent compared to 2001. State park visitation in 2002 was down over ten percent compared to 2001.

Looking at the parks closest to the fires, however, the declines were even more stark. And they were in the range of between 45 to 56 percent. And I think those facts are illustrative of the impact of these fires.

I would like to just talk briefly about what the Department of Commerce is doing overall to help tourism. According to our latest data, domestic travel is improving following the devastating events of September 11. However, we do not expect to reach peak levels, which we saw in the year 2000 until the year 2004. Long term, if we look at international travel and tourism to the United States, it looks more promising with 32-percent projected growth from 2001 to 2006.

After September 11, Secretary Evans gathered his colleagues in the Cabinet to form what was called the Federal Tourism Policy Council. And these are agencies and departments throughout the Federal Government whose policies and programs impact tourism. This is one thing that we are doing to help make sure that Federal policies are coordinated.

The Commerce Department is also involved directly with travel and tourism in the West. I took part in the signing of a historic agreement with the Western States Tourism Policy Council to help States and gateway communities adjacent to public lands. Last year this policy council received a \$400,000 grant for a public/private partnership to help restore travel to gateway communities in these States.

And lastly, in the recently signed 2003 omnibus bill, the Department of Commerce received \$50 million to undertake an advertising and promotional campaign to encourage international travelers to visit the United States. Of course this campaign will involve the promotion of what I call our national treasures or the natural areas, which are so popular with international visitors.

Mr. Chairman, I hope, however briefly, that I have been able to give the committee some sense of how catastrophic fires can impact tourism in local communities and how the Department of Commerce, within the parameters of its mission, can help to alleviate this impact.

Again, Mr. Chairman, I want to thank you and the members of this committee for holding this hearing. And I look forward to your questions.

The CHAIRMAN. Thank you very much. That is a very interesting aspect that many do not consider. And we are glad to have you, and it is good to have this on the record.

[The prepared statement of Ms. Conlin follows:]

PREPARED STATEMENT OF LINDA MYSLIWIY CONLIN, ASSISTANT SECRETARY OF
COMMERCE FOR TRADE DEVELOPMENT

Thank you, Chairman Domenici and Members of the Committee for inviting me to testify before the Energy and Natural Resources Committee. Mr. Chairman, I want to thank you for holding this hearing.

As we all know, last year we witnessed the second largest fire season in the past 50 years. And Colorado, Arizona and Oregon recorded their largest fires in the last century.

Last fall, my Deputy, Doug Baker, and I joined colleagues from the Departments of Agriculture and Interior on visits to several states impacted by fire. I personally visited Colorado and Arizona. It was during my visit to Show Low, Arizona that I truly came to understand first-hand the long-term natural and economic devastation that these communities face when fire threatens and overruns them.

I flew into Show Low from Phoenix, which required flying over the Rodeo-Chediski burned areas. That was my introduction to the Show Low community. It was during a town hall meeting in Show Low the next day that I came to understand the concerns of the ranchers, business-owners, families and local county officials and mayors. The people of Show Low were deeply impacted by the fires and they were very fearful of what might face them in the future if their concerns about forest management are not addressed.

Our national forests and public lands are managed for the benefit of the national public, but the residents of Show Low and other communities we visited made it clear that the manner in which they are managed most directly impacts the gateway communities near these lands.

They asked that the management of public lands promote stability and predictability in the use and maintenance of the public lands surrounding their communities. And they asked that the managers of these public lands be allowed the flexibility to adapt to changing social, economic and ecological conditions.

TOURISM AND SHOW LOW

Often, when we think of tourism in America, we think of Disney World, Las Vegas, and the Big Apple. But tourism is really about thousands and thousands of small businesses throughout the United States. In fact, 90 percent of tourism-related businesses are small and medium sized businesses.

There are communities like Show Low all over this country that depend on restaurants, hotels and motels, local historic and natural attractions, and other service-oriented businesses for revenues and for jobs. When tourism is disrupted, it is these businesses and their employees who feel the most immediate impact. There is an economic ripple effect when people start losing jobs in industries directly-related to tourism.

While we are still calculating overall international arrivals data and the economic impact of the fires on travel in Arizona, lodging, national and state park visitation for 2002 show sluggish performance in the specific areas affected by the fires. Ac-

ording to the Arizona Department of Revenue, Arizona lodging and lodging tax revenue were down nearly 4 percent in 2002 compared to 2001.

According to the National Park Service, 2002 visitation to Arizona's national parks was down 8 percent compared to 2001. Arizona state park visitation in 2002 was down over 10 percent compared to 2001. Looking at the parks closest to the fires, however, the declines are even more stark.

Fool Hollow Lake and Tonto Natural Bridge were two of the nearest state parks to the massive Rodeo-Chediski fire. While the fire raged in June and July, 2002, Fool Hollow attendance was down over 45 and 56 percent respectively, compared to 2001. Tonto Bridge was down nearly 34 and 45 percent for the same comparison period. Year to date totals for Fool Hollow were down nearly 31 percent compared to 2001, Tonto Bridge totals were down nearly 17 percent.

The Arizona Office of Tourism reported that wildfires might have affected travel decisions for national park visitors. The Rodeo-Chediski fire and media reports of wildfire activity likely affected visitor patterns and discouraged travel to some of these areas. We know that international travelers unfamiliar with state geography are likely to believe that, for example, a forest fire in Yellowstone could prohibit travel to the entire state of Wyoming. International and domestic travelers may alter their plans to visit Western destinations, especially.

WHAT IS DOC DOING TO HELP TOURISM OVERALL?

My colleagues on the panel are the experts when it comes to land management and I will leave that to them, but I would like to take this opportunity to address some of the efforts made at the Department of Commerce to increase the number of international visitors coming to the United States. Although many of these activities were initiated in response to the effects of the September 11, 2001 terrorist attacks on tourism in the United States, these efforts will also benefit tourism in fire-impacted communities as well.

According to the latest data, domestic travel is on the mend, but slower than anticipated. Levels comparable to 2000 will not be reached until 2004. The year 2000 is considered to be a peak year for international tourism.

While the long-term forecast for international travel and tourism to the U.S. looks promising with 32% projected growth from 2001 to 2006, the Department of Commerce is forecasting a flat 2002. Again, it won't be until 2004 before we reach the peak of 2000 international visitation levels.

We have been aggressive in communicating to travelers from around the world that it is safe to visit the United States. Since September 11, I have been heading up the Tourism Policy Council on behalf of Secretary Evans to help ensure that U.S. tourism interests are considered in Federal decision-making, and to help coordinate travel and tourism efforts among 15 Federal agencies and offices.

The Commerce Department is also involved directly with travel and tourism in the West. I took part in the signing of an historic agreement with the Western States Tourism Policy Council (WSTPC), to set up a strategy of mutual support, coordination and cooperation that will benefit states and towns throughout the West that are dependent upon travel and tourism. The WSTPC is a coalition of the tourism departments of 13 states (Hawaii, Alaska, Washington, Oregon, California, Nevada, Idaho, Utah, Arizona, Montana, Wyoming, Colorado, New Mexico).

In October of last year, the Department of Commerce awarded a \$400,000 financial assistance award to the WSTPC. The funds were made available through the Commerce Department's Market Development Cooperator Program (MDCP), a public-private partnership developed to help small- and medium-sized U.S. firms expand exports that support jobs. The MDCP is a competitive matching grants program that builds partnerships by providing federal assistance to non-profit organizations involved in export promotion.

WSTPC will conduct training programs to help small and medium size businesses in the gateway communities to develop effective marketing strategies to attract international visitors. Trade missions to key markets in Europe and Asia by gateway communities' business representatives will provide opportunities to meet with potential buyers of their services and develop new business. An important element of the project is the partnerships that will be established with public and private sector suppliers locally, nationally and internationally.

We have also launched a special public/private sector Tourism Export Expansion Initiative in Japan to help buoy travel flows to the United States, including the Western States. Japan has historically been a top source market for visitors to the United States.

In addition, in the recently signed 2003 Omnibus bill the Department of Commerce received \$50,000,000 to support an international tourism promotion campaign

to encourage international travelers to visit the United States. Secretary Evans will appoint representatives from the travel and tourism industry to a U.S. Travel and Tourism Advisory Board to provide advice on appropriate activities for the funding.

In an effort to help states seeking aid to offset firefighting costs, the Department of Commerce, through one of the International Trade Administration's sister agencies, the Economic Development Administration (EDA), has provided direct assistance to communities affected over the past few years by fire disasters.

In 2000, Los Alamos County, NM received a \$100,000 investment to develop a strategy for addressing and mitigating long-term economic impacts in Los Alamos County resulting from fires. The evacuation of 18,000 people from Los Alamos caused one to two weeks of business closures and resulted in incalculable stress on area businesses. As you may recall, the fires in Los Alamos forced the closing of the Los Alamos National lab, which stops the economic engine for the community and to a great extent, for the region.

Also in 2000, Pueblo of Jemez, NM, received a \$415,000 investment from EDA to help establish a permanent base-of-operation as a first step in implementing the Walatowa Woodlands Initiative. This project was designed to enhance forest health and reduce the threat of catastrophic wildfire through fuel-load reduction.

In 2001, in the Village of Pecos, NM a \$400,000 investment was awarded for the construction of a 5,000 square-foot fire facility to house fire and emergency vehicles; provide the training, conference, and office space necessary for the planning and execution of major firefighting and fire danger reduction efforts; and will contain emergency medical services vehicles.

These investments in improving fire protection will reduce the cost of development and increase the chance of private investment in tourism related industry. Reducing insurance costs in this heavily forested area will help existing businesses weather the loss sustained because of the Viveash Fire and improve profitability for existing and emerging businesses.

In September of 2002, EDA provided assistance to two Arizona communities as well. The Rodeo-Chediski Fire burned 276,000 acres of the Fort Apache Reservation. A EDA grant was provided to assist the White Mountain Apache Tribe with purchasing equipment to salvage and process the charred timber still standing in the area devastated by the fire. The grant award was \$168,573 with a local match of \$42,076 for a total of \$210,649.

The second award of \$100,000 was provided to the Northern Arizona Council of Governments to develop a long-term economic revitalization plan for Navajo, Apache, Coconino, and Yavapai Counties. The plan will assist the impacted communities to recover, and be more resilient in future disaster situations.

Mr. Chairman, I hope that I have been able to give the Committee some idea of how catastrophic fires can impact tourism in local communities and how the Department of Commerce, within the parameters of its mission, can help to alleviate this impact.

Again, Mr. Chairman, I want to thank you for holding this hearing and I look forward to your questions.

The CHAIRMAN. I am going to proceed based upon time of arrival. So, Senator Craig, you are first. Senator Bingaman, Senator Thomas, then I will go unless some other Senator is in a hurry.

Senator Craig.

Senator CRAIG. Well, I thank all three of you for being here today to testify about a much broader aspect of the character of fire and wildfire on our public lands and resources than I think most people realize. I know oftentimes when I am here and there is a fire in Idaho, I get people asking me, "Is it safe to go to Idaho?" If they have a trip planned, it is, "Should I cancel?" Most have no idea of the expanse or size of those Western States. And they are concerned. They express a great deal of concern.

I am going to read a statement. Dave, you do not necessarily have to react to it. But my question will follow then. It will be a comparison of what a State agency might be doing under the directive that I am going to read versus what the U.S. Forest Service will be doing under the new stewardship authority that you have.

"Governor Gray Davis recently determined that three California counties are at risk of imminent fire danger and declared the coun-

ties a state of emergency. Through the proclamation, the California Department of Forestry shall immediately,” and I quote, “assist local jurisdictions to prepare safety plans for evacuation, expedite the clearing of dead, dying, and diseased trees that interfere with emergency response and evacuation needs, and may enter into contracts for the procurement of materials, goods, and services. Some contract guidelines are suspended. Competitive bid requirements, to the extent they would prevent, hinder, or delay the clearing of public evacuation corridors.”

That is in the context of the emergency declaration. Then the Governor issued a press release criticizing the passage of the stewardship contracting because it would weaken protection of California’s national forest. The provision would also allow private contractors to harvest valuable trees in exchange for thinning brush and undergrowth in forests considered to be at risk to wildfire.

And lastly, Governor Davis said, “These ill-advised policy changes will fail to protect California’s forests and will threaten our natural legacy for future Californians.”

Now I do not want to get involved in a political battle here today. But we have State agencies doing one thing in the name of imminent danger and high risk because of the condition of forests, State forests in this instance. And we know these States forests are intermingled with Federal forests in many instances. And yet we have some who are at high levels in State government criticizing the very action we are taking here and find it necessary to take to improve the health of these forests.

What is different about what the U.S. Forest Service may be doing under its new authority versus what you understand the State California Department of Forestry would be doing under its emergency authority that the governor has so described?

Mr. TENNY. I think the way to describe it is there is a parallel that could be drawn between that situation and a wildland fire situation, because what we are really seeing out there with respect to this particular beetle infestation, which now covers over 150,000 acres on the San Bernardino National Forest, it is spreading at a rate of as much as 500 acres a day. It is just an amazing—

Senator CRAIG. So it is predominantly a beetle-caused situation.

Mr. TENNY. Yes. And so it is almost as if it is a fire situation out there, and we are responsive to it. We have to be reactive to it. And that is what requires then emergency actions to be taken, declarations of emergency. And we are working with the State. There is a task force that has been put in place that is working cooperatively with San Bernardino County and CalTrans and California Department of Forestry to address this situation. And we are meeting on it today with the Department of the Interior to put our action plan together so that we can address this situation in an emergency fashion, because it is an emergency.

Senator CRAIG. But my question is: What is the Governor saying you can do on State lands in California but is criticizing that which we might be willing to do and can do by new authority on Federal lands in California?

Mr. TENNY. Well, there is—the ownership patterns out there are intermingled. And in order to put a footprint on the landscape that you want to achieve to reduce the overall risk, not only to the pri-

vate lands, the private land holders, the residents, what are also the values that we want to protect and maintain on the Federal land, you have to have consistency of policy and approach.

The stewardship contracting authority that you mentioned, for example, is a way to look at a landscape. It is end results oriented. You take—the idea begins with what you want to achieve on the ground and then moves you over a period of time toward that end. And it requires a full integration of resources and policies in order to make it work as well as it might.

And I might add, it is also a means of treating the landscape before we get to the emergency situation, to get ahead of the curve to the extent that we can, so we do not have to scramble in an emergency like we so often do. But as far as the authorities go and as far as what needs to be done and the timeliness of it, there is no difference between a piece of Federal land and a piece of State land with respect to risk.

Senator CRAIG. My time is up. Please take this note and go back and ask the Chief: What is the difference in the San Bernardino Forest that would cause them to act that they are not doing in the Nez Perce Forests of Idaho and the Red River drainage in relation to Elk City? Because we have a wildfire of bug infestation and death going on there.

Thank you.

The CHAIRMAN. Thank you very much, Senator.

Senator Bingaman.

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

According to the *Washington Post* last week, there was a hearing over in the House Appropriations Interior Subcommittee. Chief Bosworth said his agency was struggling to develop a long-term solution to a perennial problem; that is, finding enough money to put out hundreds of wildfires each year. In most cases, the agency transfers money from other accounts to pay for firefighting, a practice that lawmakers have criticized.

Here is a quote from Chief Bosworth. He says, “The worst thing we could do is be back in a situation like last year. It is absolutely crazy to continue year after year wondering if we have to transfer money to cover fire costs.” Then a little later, the article quotes Chief Bosworth as saying “The Forest Service is planning for a budget shortfall this summer.” He expects to transfer up to \$612 million now targeted for fire prevention to fire suppression.

And he thinks it is crazy for us to do this year after year. Is that not exactly what we are doing? I mean, is there anything that is going to happen between now and the fire season to head off this exact problem that he is bemoaning here?

Mr. TENNY. I think there are a lot of ideas that have been floated for addressing this recurring problem. One of the things that Chief Bosworth mentioned, which is very helpful, was this flexibility that was provided in the appropriations bill for fiscal year 2003. It allows us to transfer or move suppression dollars to preparedness dollars as needed, in order to pre-place resources in those areas where we are going to find, or where we expect fire severity to be the greatest. That enhances our ability on initial attack. That will ultimately reduce costs. It has the impact of reducing cost, to the

extent that we can keep a fire from growing into a large conflagration.

The issue of what to do for the long term is one that, frankly, will have to be addressed together because of the difficulty of that situation. Our annual appropriations are funded at a 10-year average. It is very difficult to determine. Although we can have an outlook, until the fires start to burn, it is difficult to determine exactly what kind of fire activity and what cost is going to be incurred for the upcoming season. We use our averages. And our funding levels have been increasing, based upon those averages. We do the best that we can with the available authority that we have to minimize the disruption to the agency when we are in a position where we have to borrow. But there are some long-term options that we could work on together and consider.

Senator BINGAMAN. Yes. Let me just say, I think this notion that your funding ought to be determined on the basis of a 10-year average, there is nothing written in stone that I am aware of that says that. If we have a fire problem in the West—we did last year, we did the year before, we are going to again this year—we ought to put some extra money in and deal with it.

Another issue I would be interested in, we have this terrible problem throughout New Mexico, and particularly in northern New Mexico, as a result of the bark beetle having killed out a tremendous number of our trees and expected to kill out a lot more. Is there anything being requested by the administration in the way of resources to deal with that particular problem?

Mr. TENNY. We are doing a lot of—there are a couple of areas. One is in research, where we are doing research on this kind of activity so we can understand it better. There is a lot of good work that is going on in New Mexico, as you know, to look at how to get ahead of that curve because it is, like I mentioned before, like a fire. And it does become a reactive situation rather than proactive. We anticipate—

Senator BINGAMAN. This is long-term research you are talking about, right? You are not suggesting you have any resources to deal with the problem this year or next year.

Mr. TENNY. Research is one aspect of it. What the agency is doing in cases where we have these big outbreaks is prioritizing so that we, first of all, protect those communities and structures and resources that are going to be at imminent risk because of the outbreak and then try and contain it so that it does not spread further to those areas that are presently not experiencing that kind of activity.

What we do have coming forward that will be helpful is some of the authorities that we are seeking under—that we are putting in place or the administrative actions that we are putting in place under the Healthy Forest Initiative that will enable us to move more quickly and be more responsive in some of these areas. The stewardship contracting can also be helpful on the prevention side.

On the proactive side, we are using the resources that we have in those regions to address the situation as quickly as we can, going through the regular process that we normally would have to go through.

Senator BINGAMAN. My time is up, Mr. Chairman. Thank you.

The CHAIRMAN. Thank you, Senator.

Senator Thomas.

Senator THOMAS. Thank you, sir.

Ms. Conlin, I mentioned the fire in Yellowstone having to do with travel. What would you do about a fire in Yellowstone?

Ms. CONLIN. Well, Senator, one of the challenges that we have, and Senator Craig pointed this out earlier, is that perception often is not close to reality. And oftentimes our visitors, particularly our international visitors, have an exaggerated view of devastation and extended devastation. So the important thing that we need to do is provide accurate information and to help promote our destinations, our natural parks.

Senator THOMAS. All right. That is fine. The point is: In the park, you cannot do anything about avoiding fires. You do not fight fires. They just are natural and go on, which is kind of difficult sometimes.

I notice, Mr. Tenny, that you have talked about the plans here. And we are providing funding for 17,000 employees and so on. And you indicated that maybe, in terms of prevention, 2 million acres last year were dealt with. It appears to be 190 million acres that has to be done. Are we making—I went to the Forest Service Foundation meeting in Cody last year and they had a plan, and it just was not being implemented. We just are not moving very fast on terms of the prevention aspect. How do you react to that?

Mr. TENNY. Probably in much the same way you do. It is a very difficult problem. And the problem, simply stated, is that our fuels are accumulating faster than we are treating them.

Senator THOMAS. Well, what is the primary inhibition for moving a little more?

Mr. TENNY. There are a number of factors. Of course funding is always a factor. Process is always a factor. Chief Bosworth put out a report that was entitled "Process Predicament," which identified some of the hurdles that agency has to clear and that the agency ought to improve upon in order to be more proactive. There are disruptions that occur when we have a severe fire season, when personnel have to be pulled from—

Senator THOMAS. I understand. But we really need to focus in on what the problem—

Mr. TENNY. Yes.

Senator THOMAS. The fact is the environmental—you know how to manage fires in the Forest Service. You know how to take care of bark beetles. That can be done. Are there environmental restrictions that keep you from doing the things that you know how to do?

Mr. TENNY. A lot of times it is the pace at which we are able to put actions on the ground. And sometimes that is—and frequently that is a function of the time frame within which we have to move through our process. The Healthy Forest Initiative is intended to provide tools that will move us through that process more quickly without sacrificing the values that we associate with that process in terms of—

Senator THOMAS. I understand. But there has been thinning, for example, commercial thinning, going on in Wyoming for a good long time. It works. All you have to do is have a contract manager.

And it seems like we always talk about the problems. We talk about the damage that has been done. But we do not seem to talk a lot about what the inhibition—what is prohibiting us from moving more quickly. I mean, 17,000 people. I realize most of those would be firefighters. But we really need to be able to get on the ground a little more than we have, it seems to me.

Mr. TENNY. It certainly does start on the ground. And I observe that in terms of the will within the agency, the will is there. And there is a great desire to move forward. That will sometimes meets headlong with frustration because of the process that we have to go through in order to get what we need to get done on the ground.

Senator THOMAS. I guess that is what I am saying to you. Instead of just having three pages of talking about all the things that are going on, it seems to me that the professionals ought to say, "Here are the major obstacles. And here is what we think can be done about them," because we keep hearing the same thing, frankly. I mean, forest fires have been going on for a long time, but more particularly in the last couple of years.

And for instance, 4Y airplanes: You know, we have had some real problems in Wyoming with the airplanes. The 130's perhaps are a different situation. But I would have to tell you that I think the FAA ought to be the people who decide what is going on with the airplanes, not the Forest Service. And they grounded the 4Ys. And there are lots of good reasons why they probably do not need to. At any rate, you might want to take a look at that.

Thank you.

The CHAIRMAN. Thank you very much.

Senator, it is my turn, but I will yield to you. I will follow you.

Senator SMITH. Well, thank you, Mr. Chairman.

And, Dave, it is good to see you. Appreciated your coming to Oregon last year, last summer, for a meeting.

And, Mr. Chairman, I have asked that my full statement be included in the record.

The CHAIRMAN. It will be included.

[The prepared statement of Senator Smith follows:]

PREPARED STATEMENT OF HON. GORDON SMITH, U.S. SENATOR FROM OREGON

Thank you, Mr. Chairman, for holding today's hearing. It is essential that we continue an active dialogue between policy-makers, appropriators, and federal agencies to ensure that the menace of wildfires is being attacked on all fronts as effectively as possible. These hearings are also important for the public to gain a better understanding of wildfire issues and about the imminent threats to their public forests. I'd also like to thank Dave Tenny for being here today. Early last summer, Dave joined me out in Oregon for a very successful public meeting about wildfire in Redmond.

Let me first address the impact of last year's wildfires. The nation's largest and most destructive fire was in my state. The Biscuit Fire burned half a million acres, much of which was high intensity, incinerating 80,000 acres of spotted owl habitat. Owl populations are expected to decline by twenty percent. The fire also burned 99% of a treasured wilderness area visited by thousands of people a year.

Last fall, a number of Senators and I requested that the General Accounting Office investigate the environmental impacts of catastrophic wildfires. This investigation will also be looking at how federal agencies take these effects, both actual and potential, into account in the land management process. In other words, how are the risks of catastrophic wildfire weighed in environmental documentation. I believe the results of this investigation will be very helpful to this Committee as we continue our dialogue on wildfire and forest health issues.

I am also very interested in learning more about the effect of wildfire on tourism and recreation. For over a decade, rural communities in Oregon have been told that as their mills close and timber jobs are exported to other countries, a new recreation-based economy will emerge. The fact that Oregon leads the country in hunger and unemployment partially dispels that theory. The fact that each year we lose large tracts of back-country forests to wildfire, and whole communities are evacuated, further impacts the potential for tourism.

As we approach the 2003 wildfire season, I have serious concerns about the effectiveness of fuels reduction and forest health efforts on the ground. Whether funding or litigious obstruction is the culprit, not enough dollars are reaching the ground, the backlog of fuels treatment is growing, and I expect many communities in my state will again be staring down a wall of flames. It is frustrating to me because scientists know what needs to be done, industry has new technologies to accomplish it—yet the two never seem to meet.

Again, Mr. Chairman, I greatly appreciate your strong focus on forest health issues, and I look forward to working on a west-wide basis to neutralize the specter of catastrophic wildfire.

Senator SMITH. On Senator Thomas's point, there is a University of Oregon report that the Forest Service and the BLM in Oregon and Washington were given \$242 million for fiscal year 2001. That is specifically for national fire plan activities. Of that, about 10 percent, in other words \$25 million, was used to procure goods and services, such as thinning, brushing, et cetera. But of the \$25 million, only \$8.2 million was used for actual thinning work. So that is 3 percent of the \$242 million allocated to Oregon and Washington. So I guess my question is: Where did the other 97 percent go?

Senator BINGAMAN. Mr. Chairman, we need to cut back on what goes into Oregon and Washington. It is obvious.

[Laughter.]

Senator SMITH. I was just stunned to see these reports. And I just wondered if you can shed a little light on it, because—

Mr. TENNY. I have not seen the reports directly. But what you are saying certainly stirs a chord within. I would expect that what we are seeing is a look at fire plan dollars that include suppression activities. The Biscuit fire, for example, was \$150 million just to fight the fire.

And you make a great point. What happens if we could divert those resources to the prevention side rather than the reactive side?

Senator SMITH. I am just making the point that I think we have the cart before the horse.

Mr. TENNY. Yes.

Senator SMITH. And I think that is the whole logic behind the Healthy Forest Initiative. And I am not blaming any of you. I am just saying we are fighting fires, and we ought to be thinning for forest health, because there is an environmental benefit to that as well. And to the point, I mean, those who would say "Just leave it alone, let it burn"—just the Biscuit fire, I wonder if my colleagues realize that a half a million acres burned with enormous intensity. And it incinerated 80,000 acres of spotted owl habitat, 80,000 acres of an endangered species. Owl populations are expected to climb by 20 percent.

The fire also burned 99 percent of the whole wilderness area; 99 percent of it is just gone. I have been there. I have seen it. It is just sticks. And it is hideous looking. And so all of the riparian areas have been cooked as well. And this was an area that was vis-

ited by thousands of people that do not have anything to visit anymore.

There is clearly a lose-lose going on. We are losing a whole lot more to fire than we ever were to chainsaws. And it does seem to me that the promise made to these timber-dependent communities is that "We will replace your timber industry with a tourism industry." But nobody goes to look at sticks and a moonscape. They are just not interested in that.

It has just left us in a terrible situation in rural places. And I would just encourage you good folks to see if we can do more with those roughly \$250 million at the front end instead of the back end, because both the environment and the economy are getting reamed in this process.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you very much.

I would like to talk about three areas as quickly as I can. First, let me state for the record, with reference to the stewardship contracts and agreements that were provided for in the supplemental, I have taken—I have had the opportunity to read that in its entirety and read the history of the five years of experimenting that have taken place in the Forest Service, by the Forest Service, with reference to this approach.

Frankly, I think the tremendous amount of negative—or the negative attitude that has arisen with reference to it is ill-placed, unless you all choose in the BLM and the Forest Service to pervert the intentions of that provision on stewardship agreements. It is not intended to be a new logging contract arrangement. It is intended to be a tool to permit you to clean up the forests, maintain them under contracts whereby others would do that for you in exchange for taking from that forest things of value to them, be determined in advance and managed properly.

Frankly, I believe the tool is an exciting one. And I urge, to the extent that you have any impact in it, that you use it properly and that you not circumvent the logging laws, whether you like the logging laws or not. It would seem to me this is something we have been waiting for. It is there, and now we ought to use it properly.

As an example, Senator Bingaman asked about the beetle infestation up there in New Mexico. Part BLM, part Forest Service, he tells me. It would seem to me that right now you have one option. One option would be to let a logging contract. That would never work. Nobody would let you do it, to remove this, to rend this blight of trees that are all infested.

The other would be to pay for it and go out and do it yourself. I do not think that is going to happen, spend the money to go do it through the Forest Service.

The other would be some kind of agreement that is prescribed under this stewardship contract arrangement. And I would urge that not only there, but you begin to look at that and not wait forever because it seems to be a common sense approach to moving at some of these areas. It is not limited to infestation.

But would you agree with me that you could look at that, and that might be an approach, where there is BLM and Forest Service land in a totally blighted area? Either of you, Lynn or Mr. Secretary of Agriculture.

Ms. SCARLETT. Senator, thank you very much. We do think, as you have said, that the stewardship contracting authority gives us a tremendous tool to try get ahead of the game here. And as soon as we received that authority, we began sitting down on an inter-agency basis with the Forest Service and all of our bureaus, land management bureaus, to develop criteria that do indeed focus on just exactly what you say; that is, bringing these forests to health.

We have, I think, three elements to that. One is good planning so that we have identified ahead of time the key areas in high risk and in need. Two, we are actually prioritizing through collaboration so we get to where communities need the resources to go. And then three, a focus on the actual results. Is this going to bring the forests to health, reduce risk? So we think that this is a very good tool to do just what you said.

The CHAIRMAN. The other thing I did not mention: Obviously, if there were thinning and managing in advance, infestations would be much better controlled. Even the one in our State, which is not as big as the one previously discussed, would clearly not spread as fast or gobble up so much land. When everything is that close and it catches, the contagion just goes like a wildfire.

Let me move on to just a couple of other things. And then we will go to Senator Wyden.

From my standpoint, I want to concur and urge for this record and to the administration that one of the serious problems that we have had since President Bush took office and before, is that we never have enough money for the emergencies. Therefore, everything that is well planned during the year gets robbed of money to pay for the emergency maintenance and upkeep and prevention.

I think that will be a topic this year under the existing budget. And I personally say I am going to urge that we either do something in a supplemental to make up for what I think is a \$500 million to \$650 million shortfall. But to my way of thinking, I joined this committee and decided to take it and be chairman if we are in control here for 6 years because I thought it would take a long time to change what we have been doing to make more common sense out of our practices. And I still feel that way. And one thing that seems to me to be absolutely imperative is that we do a better job of managing, maintaining, and thinning these forests.

And might I ask, can you state for the record as to both Departments where we are with reference to maintenance and management thresholds? Where are we with reference to planning management and maintenance across the forests? And tell us what the next steps are in terms of better management, as you have them planned. Would you do that for the record, please, both of you?

All right. Thank you very much.

Senator Wyden.

Mr. TENNY. Perhaps the place to start there——

The CHAIRMAN. Well, we will get that in writing.

Mr. TENNY. Oh, okay.

The CHAIRMAN. I mean, if you want to give a half-minute statement——

Mr. TENNY. Be happy to.

The CHAIRMAN. I would like you to give it in detail so our staff can have it and take a look at it.

Thank you.

Senator Wyden.

Senator WYDEN. Thank you, Mr. Chairman. I think the point that you have made, Mr. Chairman, and the point that Senator Bingaman has made is critical.

I would just say to my colleagues that Mr. Tenny is a good man. He has been very helpful to this committee. For example, we would not have the county payments legislation without Mr. Tenny. He has really reached out. I do not want to be hard on Dave Tenny today.

But I think, with respect to the fire plan, it is time to end the shell game, folks. There is a real shell game going on out there, where everybody says that implementing the fire plan is a big deal, and then you do not put the resources into actually getting the work done.

I am going to leave here in a couple of minutes and go to the Budget Committee where I am going to offer an amendment to increase funding authority for implementing the fire plan. I think Senator Domenici's and Senator Bingaman's earlier statements have reflected this bipartisan concern.

I look at these numbers, and particularly for the Fire Service, they are not even close to adding up. Let me just give you one example. Last year, \$1.6 billion was borrowed just on the suppression account. The budget this time calls for \$800 million. So you scratch your head and you say, "Everything we are hearing from the scientists now is that we are going to have infernos all over the West this summer." I have clippings from all over my State. I am sure that is true in New Mexico, and Idaho, and all over the West.

\$1.6 billion was borrowed last time for suppression, while this budget provides \$800 million for suppression. I think we have all seen the bipartisan concern that we would like to get away from suppression and do more of what would be termed ecologically sound forest management, and just have not been able to get the resources for that either.

I do not like to shoot the messenger because the message is a tough one—but my question for Dave Tenny is: What will you support by way of a bipartisan effort in the budget to get real on this funding question? My first choice would be to double the budget authority so that we could implement this fire plan.

Dave, you obviously cannot speak for the administration. I understand their budget authority. But tell us how in the world we are going to come close to implementing this fire plan with the resources that have been proposed and how you are going to react to an effort in the Budget Committee to get some more resources.

I think flexibility is fine, Dave. Make no mistake about it. We like that. It is clear on the ground that flexibility is the key. But flexibility cannot be a substitute for being in the ballpark with respect to resources. And we are not in the ballpark.

For purposes of today, all you can give is a personal opinion, because you cannot speak for the administration. But how are you going to react to my efforts to try to get a more realistic level of funding for the fire plan, an effort that is going to begin in about 20 minutes?

Mr. TENNY. I think the safest thing I can say is: I am going to watch you with great interest. Obviously, the budget has been put forward. And we know what the levels of funding are that were provided in the 2003 budget. They were nearly to the levels that were—the appropriations bill for 2003 was nearly to the levels of the 2003 budget that was put forward. I acknowledge that there is a problem that exists. I think we all recognize that. And there are opportunities to address that.

There have been a number of ideas that have been floated. For example, there was an idea that was floated in the budget proposal, not this last one but the one before, to create a permanent authority, for example, that would allow a reserve to be in place to address some of the shortfalls on a permanent basis. That is one idea.

There are other approaches that are out there. And the discussion that is taking place is an important discussion. The outcome is something that I think we all have to look together at resolving, based upon the competing priorities and pressures that are on the budget, obviously, and in terms of what makes sense. And I think that is a discussion that is beginning that we need to have and continue.

Senator WYDEN. Well, a big chunk of the West is going to become a rural sacrifice zone, if we do not fund the fire plan properly. I, for one, am just not going to sit by and let these communities and the good people that are in these rural areas lose their world. And that is what is going to happen. So this is not an abstract question.

In 20 minutes, we will see where the administration is. I am anxious to work with you. Of course I am going to work with Chairman Domenici and Senator Craig. We have done all of this in a bipartisan way. I will support what the administration seeks to do on flexibility. I think that is constructive in a number of these areas, to get away from this one-size-fits-all approach to natural resources policy.

But when you borrow \$1.6 billion last year for fire suppression, and all the science indicates that we are going to have infernos this summer, and then the budget comes in with \$800 million for fire suppression, you are not in the ballpark. You are just not in the ballpark. We have to figure out on a bipartisan basis how to do better.

Mr. Chairman, I look forward to working with you towards that end. And I thank you.

The CHAIRMAN. If you do not do it on the committee today, we will talk about it on the floor—

Senator WYDEN. Absolutely.

The CHAIRMAN [continuing]. On the budget resolution.

Senator WYDEN. Thank you.

The CHAIRMAN. Senator Murkowski.

Senator MURKOWSKI. Thank you, Mr. Chairman. And once again, I look forward to explaining our efforts again relating to our geography. And as it relates to forest fires, in Alaska, we have just come to accept, as a routine course, that during the summer we will have fires. We will have acres and thousands and thousands of acres up in smoke. And it is just something that we deal with because we live in a State that has huge geography. And we have

come to accept that as, almost, as a matter of course, which is relatively unfortunate.

And it is particularly unfortunate when these fires come down into the areas where we do have population centers. And I think we have been lucky over the years that we have not had very serious fires that threatened our residents. But you can only press your luck so long.

And when we look at the plans that other States are able to utilize, for instance, if a large fire breaks out somewhere else, you have your geographic area coordination centers, and they can provide the resources for the fire suppression. If that does not work, you can go to the National Interagency Coordination Center, get assistance there.

But you are talking about States that have borders with other States. And in Alaska, we border Canada. We are in a unique situation there, where we do not have the assistance of our neighbors. So for us to get the additional fire suppression help, it is very expensive. It is very costly.

Simply because we are so huge in terms of our geography and our size, it is impossible to be connected to any kind of a reasonable hydrant system. So just the restrictions that we have in getting water to put out the fire is extremely expensive.

But the big issue that we have that has caused more consternation to Alaskans is the infestation of the spruce bark beetle. And we are looking at a situation where, in the past 10 years, we have lost over five million acres of trees in south central and interior Alaska. If you do not know Alaska, these are the parts, this is the part of the State where we do have—this is where our population centers are, five million acres of trees.

People get concerned about logging in Alaska. They need to look at what is really bringing the trees down. It is these spruce bark beetles. And this infestation is unchecked, out of control. It is probably the most significant terrestrial ecological disturbance to hit the south region, the south central region of Alaska in recorded history. And what it is doing is just putting fuel down on the ground for the next forest fire. And it is an issue that is, no pun intended, this is really a hot spot for our State.

So I would like to know, Mr. Tenny, what the position, what the plan is for specifically dealing with the insect infestation. I was reading an article that was in the *Washington Post* a couple of days ago. Apparently, Forest Service Chief Bosworth was speaking to a House panel. And there was inquiry about, just as Senator Wyden had mentioned, the shifting of the funds, moving them from fire suppression—or moving to fire suppression. But it is apparent that a good deal of those monies were moved from the prevention of it, which, from my State's perspective, is very, very key.

If we cannot do something to deal with the beetle kill and the fuel that we are putting on the bottom of our forests, we are going to have some forest fires in our State that will be beyond out of control and will truly threaten more than just the trees, but the residents of Alaska as well. So can you give me some guidance as to what we might expect?

Mr. TENNY. Yes, Senator. First of all, I should note that I have a great mentor who knows Alaska very well. And it certainly is an area that is on the front of our minds all the time.

The beetle infestation that you are referring to is something that, although I have not seen it, I have had it described to me. I have seen pictures. It is truly something to behold. And it does create a very significant risk. We have been increasing our work on the Kenai Peninsula. And our fuels treatment work is actually up, from what I understand, about 20 percent with respect to where it has been. Is that enough? No, because of the nature of the problem you have described. It is expansive. It is far reaching. And it is pervasive throughout that part of the State.

We are—the National Fire Plan dollars are available nationwide. They are available to Alaska, as well as to the lower 48 States. We have some new authority in stewardship contracting. It would be a good idea to look and see how that authority might play out and how we might apply that authority up in Alaska.

We have the tools under the Healthy Forest Initiative that we would like to use where appropriate and where we can use those to address some of these situations as well, because the bottom line is we are talking about the risk that is being created out there because we are not getting ahead of the problem. The problem is ahead of us. And nowhere is it more pronounced than Alaska.

I think last year, of the total acres that burned, Alaska led every other State in total acres burned. It is a little known fact, I think, but Alaska burns more acres on average per year than any other State.

The problems that you have identified are real. They are of great concern to us. We would like to use the tools that we have and that we are getting and apply them there, along with the funding that is made available under the fire plan and take that trajectory that we are on, where we are increasing the number acres that we are treating, and see if we can take that out further until we can get to the point where we are doing a lot more than we are doing now.

Five million acres, that is a lot of acres. But certainly, we can do better than we are doing now. And that is the intent. And that is certainly our objective.

Senator MURKOWSKI. Well, I would like to hope that the funding that you have referred to that can be made available—and we will certainly work with you on that—that those are not lost, if you will, because we need to deal with the fire suppression, the anticipated fires that I think are quite likely this year.

In Alaska, we are no different than anywhere else in the West this year. We have no—we have very little snow cover in the State right now, which is incredible for us. So we are anticipating a terrible fire year. So any help will be greatly appreciated.

Thank you.

The CHAIRMAN. Thank you very much, Senator.

Senator Akaka, do you want to ask some questions?

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

The CHAIRMAN. You are welcome.

Senator AKAKA. Welcome to the panel.

I would tell you, Mr. Chairman, that this hearing is very important for many of our communities. In Hawaii, we do have these

kinds of problems also. Unfortunately, it appears that forest fires are inevitable and cost a lot of money.

Mr. Tenny, in 2 out of the last 3 years, it has cost over \$1 billion to contain and suppress forest fires across our Nation. Last year, it cost \$1.4 billion for these efforts, and in 2002, it cost \$1.3 billion dollars. If we were to undertake the programs proposed by the President to reduce fuel hazards in national forests in high risk areas near communities, how much would it cost over a 5-year period?

Mr. TENNY. Well, I think that is a function of a number of things. Certainly one of the intents of the Healthy Forest Initiative is to improve our efficiency so that our unit costs for doing the work will be improved. In and around communities is a proposition that actually is an expensive proposition, because the cost per acre of treating areas around communities is greater in many cases, in most cases, than the cost per acre of treating areas that are not directly around communities, because of all the various issues that emerge when you are dealing with communities and areas in and around communities.

An exact dollar figure for 5 years to do the entire amount of work that is out there would be very difficult to come by. It would be very large. The reason, because it is so large, we have had to take a look at how we set our priorities. And that is really the purpose of the 10-year implementation plan for the 10-year comprehensive strategy that we have put into place in cooperation with our Governors and with our counties and with tribes and others, because we recognize that we have 191 million acres that are out there that are at risk.

We have resources that are available to us, but we know the parameters and realities of budgeting and priority setting. So the idea is to go to the local level, working with the communities in a collaborative fashion, as outlined in the implementation plan, identify those areas that are of greatest priority and treat them as well as we can and as quickly as we can and as effectively as we can within the resources that together we decided we can allocate for those purposes.

That is the approach we are taking, recognizing that there probably just is not sufficient funding to do the whole job that needs to be done, because that is the reality in which we operate.

Senator AKAKA. I am concerned about what has been proposed for the budget and the cost thus far per fire.

If we accomplish all the necessary fuels reductions outlined in the President's proposals, can you predict confidently that it will make a measurable difference in the number of acres burned or number of fires controlled in an initial attack? And if so, how much?

Mr. TENNY. Okay. I think that probably the best indicator of the value of the work that we do is identified by the communities that are benefitted by it. If you look at, for example, the areas where the Hayman fire burned, and we had portions that had been treated, where the fire burned to the ground in literally protected structures and communities because of that, the value of that to the community is incalculable. It is—for them, it was worth every penny, every effort that was taken.

I think that the value of what we do, if we are able to accomplish all that we have budgeted for and that we plan to accomplish this year, it will have a real impact on or in and around those communities and in and around those watersheds where we are doing that work, because we have seen where it does have an impact. And it does have a positive impact on fire behavior.

With respect to initial attack, I think you have hit the nail right on the head. The more successful we can be on an initial attack, given the conditions of drought, of over density, of insect and disease activity out there that is increasing the fire risk each year, the more successful we can be on initial attack, the lower our overall costs are going to be and the more effective we are going to be at being able to move forward on the proactive end in preventing the fires that are occurring out there.

I think that if we are fully successful, if we can move beyond 99 percent successful in attack, on initial attack in controlling fire, then on the margin that is going to perhaps prevent a Hayman fire or prevent a Rodeo/Chediski fire, because we are able to get out there and suppress the fire before it gets to those proportions. And so I think that there is real benefit that can be derived from that.

There are always uncertainties when you approach a fire season. There are things that you just do not expect or you do not know what will happen, because conditions change quickly. And we do not know what the weather is going to do. The only thing that we can really affect, the only thing that we can truly go out on the ground and manage is the fuels and the conditions in the vegetation. We cannot control the heat. We cannot control the wind and the weather. But we can control the fuels.

And that is where we focus the attention and our effort, particularly under the Healthy Forest Initiative.

Senator AKAKA. Thank you very much, Mr. Chairman. My time has expired. I will submit my questions for the record.

The CHAIRMAN. Thank you very much, Senator Akaka.

Senator CRAIG.

Senator CRAIG. A few moments ago, I believe in a question to Senator Bingaman and to others as it relates to bug kill, you used the word "we are studying it." Foresters have been studying bug kill for decades. We know exactly how to treat it. We know what the problem is that creates it or brings greater infestations on. Why are we studying it? What do we find out by studying it instead of treating it?

Mr. TENNY. The studying that I referred to is the applied type of study.

Senator CRAIG. In other words, how do you get through the legal morasses of the day so that you can get out on the ground and do something proactive to stop the bug spread? How do you get through the court tests? How do you get through the lawsuits? Is that what you are suggesting—

Mr. TENNY. That needs to be—

Senator CRAIG [continuing]. How you thread the legal needle?

Mr. TENNY. That is part of the equation. The legislation that we sent up last fall addressed some of those concerns. I do not think it addressed all of them. I think there are additional issues that have to be addressed and we have to look at together.

Senator CRAIG. So the greatest impediment today to treating bug kill, to reducing fuel loading on our forest floors, to addressing five million acres of potential catastrophic fire in Alaska is not the knowledge or the talent of individual foresters. It is how you get through the legal morass that has been built up over the last multiple decades.

Mr. TENNY. I think that is—

Senator CRAIG. Is that a reasonable statement?

Mr. TENNY. That is a reasonable statement. We do know what to do. We have the experience. And we are getting more all the time. And research is done on an ongoing basis so we can get better at what we are doing.

Senator CRAIG. How much money will be spent on the legal side of things versus the actual thinning, cleaning application side of fuels treatment? Do you have a percentage of total?

Mr. TENNY. I can tell you, based upon what the Forest Service prepared for the chief, there is about a quarter billion dollars that is spent annually on process. If we were able to do some of the things that were identified in the process predicament, the Forest Service estimated it would be able to save upwards of \$100 million in process. That is real money. That is—

Senator CRAIG. Or will you simply divert? When you see a legal obstacle over here, you will go somewhere where there may be less or it may be easier or the terrain or the habitat or the watershed may be such that it is “less sensitive” to certain environmental groups and/or to the application of your treatment. And so you simply divert practice to avoid legality and being hung up. How much of that goes on?

Mr. TENNY. Well, I cannot say that it does not go on, because the—

Senator CRAIG. Oh, yes, it does go on. We know that. Let me count the number of times in Idaho it has gone on.

Mr. TENNY. And we have seen that, and that is one of the realities within which we operate. However, from a strategic standpoint, as we put together our program of work under the fire plan, under the implementation plan, the 10-year strategy, what we are looking at is where the work needs to be done, where the risk is the greatest. And that is where we are going.

In some cases, we are challenged on that. And that is okay. People are going to challenge us. And we have to be able to answer those questions because we have the information that we need to answer those questions when we are challenged. Those challenges take time sometimes to work through. The process adds time. As that time is added, opportunities in some cases are lost.

But the point is that we are looking at where the risk is. And we are going to where the risk is to address the problem. That is the whole purpose of the strategic plan that we are operating.

Senator CRAIG. Sure. And the greater risk today is where people are.

Mr. TENNY. That is a very big part of the risk.

Senator CRAIG. In other words, if there are no houses near urban wildland interface, but it is a marvelous watershed of critical value and it is dying, you do not go there. You go where the trees are and the people are and the high risk to human structure exists. I

mean, those are the options you have. And clearly, that is the battleground here that we face in trying to sort out how we apply or allocate resources.

Well, I know your problem. We have to try to address that. You know, the great environmental story will be written in a decade or two that the environment killed the environment, and environmentalists sat by and watched it die and burn and tied the hands of those who tried to save it. And we ought to try to do something about it here. I know the chairman is committed to that, as am I.

My last question: How many in the National Guard become active in catastrophic fire years like last year, that we might need this year, that we will not have this year because they might be fighting a war or they might be on critical standby for the purpose of national defense? And have you factored that in? And what do you do about it, if you cannot use their equipment, you cannot use their personnel, that are deployed elsewhere?

Mr. TENNY. That is an important question that we have been grappling with here over the last several months. Last year we were able to call up a battalion from the Army. And they were available to do some of the work that we needed to get down out on the ground. We have had conversations, and are continuing to have those, in planning for the upcoming fire season with the National Guard and with the Department of Defense.

From what I understand, based upon the information that I have been given from those who are having those conversations, we have the commitment to have the resources available when we need them, notwithstanding the prospect of a war. What that means, though, is that we need to be vigilant in communicating with our counterparts in the Department of Defense and the National Guard with respect to the forecast and when we are going to need these people. And those are the discussions that are taking place right now, so that those contingencies can be in place.

Senator CRAIG. Well, I thank you. I am pleased to hear at least that that conversation is going on and that calculation is being made. That is critical, I think.

The CHAIRMAN. Ms. Conlin, are you with them? Are you on your own in terms of returning to your office? Are you with you with the other two people here testifying, or are you on your own?

Ms. CONLIN. I am on my own.

The CHAIRMAN. You are excused. You do not have to listen to us if—

Senator CRAIG. Well, I did have one more question of her.

The CHAIRMAN. Well, we are finished with questioning, are we not?

Senator CRAIG. Could I ask—

The CHAIRMAN. Go ahead and ask it now.

Senator CRAIG. I did not want you to feel lonely, Linda.

[Laughter.]

Ms. CONLIN. I am just delighted to be here, that the connection is made between tourism and economic impact because of the fires. I am delighted to be here, Senator.

Senator CRAIG. How does an area recover long-term? And I cite an example, Salmon, Idaho, south central eastern Idaho, 2000, catastrophic fire, nearly a million acres burned. The town was shut

down for 45 days. It was smoke covered for 30 days. People with respiratory problems left town. It is the jumping off point for all the white water or most of the white water of the Greater Salmon River systems. All of that disappeared.

I tried to help outfitters and guides that lost not only the summer outfitting, but many lost winter or the fall outfitting of elk and lost their businesses as a result of it. But we could not directly connect the fire-related situation to them, so they lost out.

How do we deal with that? That is just a lost story as it relates to fire and fire impact. You have spoken to it today. Now many—these communities are small business communities. Small businesses do not have strong staying power in most instances—if they lose a season, they are lost—versus big businesses or counterparts or associates of big businesses.

Some in Salmon benefitted. There were over 3,000 people deployed there at one time. There were goods and services provided. But by far, a majority of that community lost, because they lost their tourism season. How do we deal with that? And how do we respond to it? And how do we bring that tourism back quickly or communicate effectively? And are there programs being looked at to communicate that a fire in Salmon, Idaho, does not make all of Idaho burn, and there are other parts of our State or other States that are places to go see and do?

Ms. CONLIN. Well, Senator, it goes without saying that protecting the resource is absolutely number one, so that it continues to sustain travel and tourism over the long haul. Short term, it takes cooperation between States and cities and the Federal Government to really provide the information not only domestically but to international audiences about the extent of the damage, so that we indeed are still able to attract visitors to those places that were not impacted by the fires. So we need to really make sure that information gets out there.

And thirdly, we need to work together cooperatively to continue to promote our public lands. And we do that. At the Department of Commerce, we work very closely with cities, with States, with regions. As I pointed out earlier, we have a very ambitious program with the Western States Policy Council to promote our gateway communities in the Western States in key international markets that are top international markets. So I think it is a combination of all of these three things, Senator.

I would also like to point out that at the Department of Commerce we have a network of offices, domestic offices, of the United States and foreign commercial service, both here in the United States, as well as our commercial officers that serve in embassies throughout the world and in our key tourism-generating markets. These officers directly work with us in trade development at the Department of Commerce and with the private sector in those countries to promote the United States and certainly our public lands, which are indeed our treasures.

Senator CRAIG. Well, I thank you for that. We are headed potentially for another big fire year in the Northwestern tier, if you will. And, of course, it just so happens that we will be beginning the bicentennial of Lewis and Clark. And a fair amount of that country is the trail of Lewis and Clark. I hope we are able to connect the

dots there and disallow that potential opportunity from being destroyed by fire.

Thank you.

Thank you, Mr. Chairman.

The CHAIRMAN. Senator Craig, let me just suggest, I think you remember, I am sure that these witnesses remember, that Healthy Forests, the major kickoff initiative, occurred on the floor of the Senate because New Mexico suffered the Los Alamos fire, which I think, I think, so far is the most expensive fire to the government, because it was determined to be through their negligence that it started.

Therefore, compared to your towns, the Government paid for everything. So the 380 houses that burned, the business loss, meaning the case that you just described, was actually paid. They filed their claims. They had three claims offices, just like an insurance company. And the companies would have cost over \$1 billion to pay everybody what they had suffered. It was huge in terms of the acreage that was burned, but nothing like a million acres, the things you have seen.

Senator CRAIG. Yes.

The CHAIRMAN. I believe that what I have—and as a result, so you will understand, we went to the floor. And the concern, the burning concern, was the urban interface issue, because that was a perfect example. We almost, through an urban interface fire, burned down Los Alamos National Laboratory. It happened that at least there was that much—the laboratories were insulated by many, many hundreds of yards, but their buildings were not. So significant buildings, none of which were dangerous, burned. The laboratory suffered something like \$230 million in losses for building structures and the like.

When we went to the floor, we decided that it was time to mandate that the Government determine where the urban interface situations were in the country. You all know now. You have gone through the exercise twice, I am told by my staff, in determining where they are. You are finishing that up so that States and localities and you all know this is a dangerous place. The urban interface is not yet completed and taken care of. And you are moving where you can in those areas.

I believe that one thing you can do that we can look at in terms of your kinds of questions is to see whether or not the things that are available for a disaster are all available. We find that sometimes you declare a disaster from a hurricane, and you get certain kinds of relief. But you do not get the same kind of relief if it is a forest fire. And I think it would be good to look and make sure that it is just as broad.

Secondly, just the presence of the Federal Government to help with tourism seems to me to be very important, if these people are all suffering, hurting. At least somebody comes there and says, “We are going to help.” And I would think that that is done by you and others, as you suffer the problem. I do not think we can write that into law. Either they care and are worried and help or they do not.

From my standpoint, the urban interface remains a huge problem, because we can—if we burn down, as a comparison, we burn

350 houses in Los Alamos, or whatever the number, every big fire burned 80 or 90 or 100 houses.

Senator CRAIG. We took down 2,000 houses last year.

The CHAIRMAN. See, and these houses, nobody paid you for them. So those are huge, huge losses to the individual across the country. And I think the disaster relief might be looked at, not in terms of paying everybody for their loss, because the government then would be the insurer of all of this, but it would seem to me that maybe you can broaden the disaster relief to some extent there. And it might be helpful.

Senator CRAIG. Well, Mr. Chairman, that is a valid point. The loss of a home, obviously homes are insured. They have fire insurance. And so I agree with you there. I think we need to be very careful that we do not offset it so people living in those environments say, "Well, gee, we do not need insurance because the Government will come in and take care of us."

The CHAIRMAN. Yes. And we do not need to clean it up either, if it burns.

Senator CRAIG. Right. But what we could not determine, but what was very determinable, at least when I went to outfitters and guides and said, "How many cancellations did you have as a result of the fire?" it was "Well, we had X number. And here they were, and here they are canceled. And that cost us so much money."

And we say to a small business, "How much business have you done on the average over the last 3 years versus how much did you not do this year?" Those are very real figures that are documentable. And they are not covered in many instances. FEMA does not pick them up.

You are right, though, if it were a hurricane, then that would be a different environment.

The CHAIRMAN. Yes. I would suggest to you, and it may not be worth it at this late date, but I would suggest to you that the files of the settlements with the businessmen and businesswomen of Los Alamos might reveal a formula that might be more helpful than what FEMA is currently doing, because they went through months of arguing with the business community. And they paid almost all of them for some business loss; not joyously, not without rancor. But there was a formula eventually that her little business in jewelry got some money, and his restaurant got something. And it might be that that formula should be transferred over to be applied more generally.

Senator CRAIG. We will take a look at that. Thank you.

The CHAIRMAN. Let me close my questioning by suggesting that we are going to remain interested here in this committee for the time I am chairman with common sense approaches to your problems. That is, where are you running into impediments to do things that make sense, that are common sense? And we want to try for, in spite of laws that say to the contrary, "Where is the common sense solution?" And then if it requires that we seriously debate why the law is not applying common sense, we are glad to do that. We are glad to try to amend laws that are causing conduct to be totally without a common sense approach to our forests.

If we do not do that, it seems to me that we are going to get nowhere except one group is going to blame another group for what

Senator Craig has described as the gradual, if not more sudden, demise of what used to be great forests. I can tell you, I am not from a State like Senator Craig's, although mine has plenty of forests and plenty of beautiful things to be seen. But when I was young, the forests were beautiful places to just go walk, because you could walk, you could see. As a matter of fact, I think I have told Senator Craig, as a member of an Italian community in Albuquerque, we used to visit regularly the mountains around Albuquerque because mushrooms just like mushrooms from Italy grew in those beautiful forests. And you could go up on a Sunday and they were there.

Most of the forests now are so cluttered tree to tree that you could not walk, if you wanted to. And those are—I think those are the kind of real examples of what has happened that is not what we would like to be the case 10 or 15 years from now.

With that, I am going to yield to Senator Murkowski for her questions. And then we will recess.

Senator Murkowski.

Senator MURKOWSKI. Thank you, Mr. Chairman.

Just very, very quickly, and this is probably best directed to Assistant Secretary Scarlett. This is as the fire management plans might relate to wilderness. It is my understanding that if you have a wilderness area, there is nothing motorized that comes in. You cannot bring that motorboat in. You cannot bring that chainsaw in. So if we have a spruce bark beetle infestation and we have whole areas of a wilderness area, an area that has been designated as wilderness, then any kind of management plan would not apply. Am I correct in that?

Ms. SCARLETT. I would respond to that in two ways. For the most part, first in Alaska, you have forests that are in what we call condition class one. That is, they are in their natural healthy condition for the most part. And that is, of course, a great benefit and virtue of Alaska.

On the other hand, as you pointed out, you do also have some communities increasingly that are wildland urban interface communities. And where you have what might be a natural cyclical problem with disease or otherwise, it might then start to affect that community.

What we are trying to do in terms of our prioritizing, as has been discussed today with treatments, is not go out in those areas where the forests are generally in healthy condition and have their cyclic patterns of behavior and are not near communities, but rather to target our efforts in areas right around communities, such as one that you did describe, which is in some—which is experiencing some problems with infestations.

And so certainly that WUI community would be among those potentially eligible for us going in and doing some treatments to help to prevent the risk of loss of property, loss of lives, and further environmental damage.

Senator MURKOWSKI. You used the word "treatments."

Ms. SCARLETT. Yes. That is our lingo for going in and actually removing the diseased timber, removing underbrush. And it is important to note that this is not simply about thinning and leaving stuff there so that it actually further creates a prospect for conflagration, but going in, thinning, pulling out the material.

Now that will not treat the disease, it is important to note. But what that can do is prevent the potential kind of exponential spread. But again, I do want to underscore that we are talking about WUI areas here, not outright wilderness areas.

Senator MURKOWSKI. I guess that is a concern that I have in the Chugach National Forest. This is an area where certain parts of it are being considered as wilderness designation. That national forest happens to be adjacent to quite a handful of population centers. Now they are not population centers like the good Senator from New Mexico was talking about. But these are communities, the little community of Moose Pass, very, very, very concerned that there will be a fire. And if we have not in fact done something to address just the fuel buildup there, then their communities, their homes, their livelihoods are going to be at risk.

There is a concern here that: Well, what happens if, in fact, we have gone from a situation where it is just the Chugach National Forest to an area that has now been designated as wilderness? And I want to make sure that my constituents are not at risk because we have decided to take a hands-off approach because it has now been designated as wilderness.

It is one thing if we have healthy forests. But as I mentioned earlier, in many, many parts of the State, these are sick and diseased trees because of an infestation that—we have not brought this upon the forests. It has not been due to the fault of anybody living in that area. It is just a sickness that is traveling through our forests.

I want to be assured that in fact these residents that are living near these areas are not going to be at risk either for life or property injury.

Thanks for your comments.

Thank you, Mr. Chairman.

The CHAIRMAN. Senator Murkowski, thank you very much.

I am always amazed and have watched Alaska over the years, that during the peak of the fire season when thousands of acres will be burning somewhere in Alaska, by the character of that State. And of course now, as it populates more, as you have said, obviously it becomes even critically more important, even though the destruction of potential resource value timber is ongoing.

Senator MURKOWSKI. I just have to share a comment. This summer we had some terrible fires out in the interior. And a constituent who had a mining operation, a significant mining operation that was in the path of the fire, contacted me and said, "What can be done to save my property, my assets?" His life savings had been invested in it. And we were told by the Forest Service that the plan was to hope for a change in the wind. And, you know, the good news for him and for his family was that the wind changed.

The CHAIRMAN. The wind changed.

Senator MURKOWSKI. But he has the pictures that show just where that wind changed. And it was too close for comfort. I appreciate the opportunity to have this discussion this morning.

The CHAIRMAN. Well, I thank you all very much. Obviously, this committee remains extremely concerned about your preparedness and your ability to be prepared and to continue to be and the deployment of resources not only to fight the fire or to become

proactive in our forests to improve their environment, to improve their health and the vitality of the habitat. Clearly, we are trying to do that. Some are misinterpreting it. Some are trying to argue otherwise. I think the clear intent of a majority of Congress is to assist you in assisting our forested lands to become healthier.

I have just visited with the people of Elk City. I ask you, Dave, to take a note of that. The bug kill there is such that the fire scenario now coming is not unlike the San Bernardino, where in many instances you have one road in and the same road out. And if a catastrophic fire hits, I said to the mayor, "What do you do?"

I do not recall the name of the meadow. I am talking meadow, but there is a stream that flows through it. He says, "We will all run to the meadow, and we will plow out a ways as quickly as we can and we will hunker down, because we will not be able to get out."

That is what happens. And that is what will happen in the San Bernardino area, if we are not careful. If you read the Governor of California's proclamation, it is in itself almost a proclamation of a state of emergency. In fact, he even gives authority for State authority to go onto private lands to thin and clean. I find that very unique, that the condition has built there to such an extent that a governor feels he must declare a state of emergency, not only to try to save the resource, but to protect the people.

There is a great sense of alarm in that area now about access or the ability to get out in case of a catastrophic fire. I will not go beyond that. But I understand, in having visited with some, that that very much is the situation, largely what probably prompted the governor to act. I am amazed that on one hand he will declare a state of emergency and almost marshal law, and on the other hand he will criticize the ability to do that on Federal lands in other places in the countryside. That is the miscommunication or the misunderstanding of today's situation, I would guess.

We thank you all very much. We will stay current on that.

You have obviously heard two members of the Budget Committee not at all happy with the ability or the resources available to fight fires potentially this summer, and what we need to do. Because when—my notes show that when Under Secretary Mark Rey testified here some weeks ago, he said that the Forest Service had \$445 million in backlogs in fire rehab and restoration projects, \$445 million, from fires that burned in 2000, 2001, and 2002.

Now we are not only not getting into thin and clean, we are not getting in after the fact to rehab. And mother nature can be pretty severe in a reasonably small event to catastrophic erosion, if we are not allowed to move swiftly and quickly in to do that kind of rehab. And if we are taking money from one account to move it over to another, that kind of things happens. So this has to be corrected.

My message to you for those you work with, for Mark Rey and for the chief, is: Let us take a revisit at this. We know where the administration is at this moment. I think that strongly the likelihood is that they are going to get more resources to deal with, and we are going to have to decide how they get deployed. And that is your job, to effectively respond not only to the current fire season upon us, but also to the idea that once burned, we just sit and watch it and let mother nature do even more damage and that we

cannot go in and do rehab or restoration because we have used up our resources.

I thank you all very much for your time and your tolerance this morning.

The committee will stand adjourned.

[Whereupon, at 12:10 p.m., the hearing was adjourned.]

APPENDIX
RESPONSES TO ADDITIONAL QUESTIONS

U.S. DEPARTMENT OF COMMERCE,
INTERNATIONAL TRADE ADMINISTRATION,
Washington, DC, April 8, 2003.

Hon. PETE V. DOMENICI,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for giving me the opportunity to offer testimony before the Committee on Energy and Natural Resources on March 13, 2003. I am glad the Committee was able to conduct a hearing on the impact of last year's fires and the outlook for the 2003 fire season.

Enclosed please find my answers to the supplemental questions you provided me on March 14, 2003.

If you, or your staff, have any additional questions, please do not hesitate to contact me or Erin Mewhirter, Acting Director, Office of Legislative and Intergovernmental Affairs, at (202) 482-3015.

Sincerely,

LINDA M. CONLIN,
Assistant Secretary for Trade Development.

[Enclosure]

RESPONSES TO QUESTIONS FROM SENATOR DOMENICI

Question 1. Ms. Conlin, you have made the point that tourism sells in many of these forested areas because of their forested nature and natural beauty. I know you have seen some of these areas after they have burned. In your opinion are most tourists traveling across the country, or indeed, around the world to visit areas that have been devastated by these wild fires?

Answer. Generally speaking, I do not believe that tourists want to visit areas that have been devastated by fire. Curiosity may cause a visitor already in the area to view a devastated area, but tourism is built on positive experiences, engaging in the activities of the area. When the purpose of a trip is to see the "beauties of nature," viewing a decimated area will not fulfill that purpose.

Question 2. Have you found in your research any information on the affects of large amounts of heavy smoke that these fires produced on tourism in the down wind cities?

Answer. Our research does not cover any of the environmental impacts on tourism, but we have heard of curtailed business in some of these communities during the heaviest smoke-laden periods. Phoenix experienced quite a bit of residue and thick smoke over some of its top tourist areas, such as Scottsdale, for example, which restricted golfing and other outdoor activities.

Question 3. You have pointed out that international travelers, and to a lesser extent domestic travelers, have been changing their plans when they see reports of large fires in a state, even though those fires are not in the area they were slated to visit. When that happens, are those tourists coming to this country and avoiding those states that have fires, or are they going to different countries instead?

Answer. International travelers generally will not visit a state with fires because they are unsure of the specific areas that are affected. While some potential visitors might cancel their travel plans, most travelers will still visit the country, but they will go to other destinations.

Question 4. I know that your agency is mostly interested in international tourism, but I am also aware that your people have gathered a lot of information on the impacts on tourism due to these fires. Given your broad knowledge of this industry: Can you give me your thoughts on what happens to local tourism based industries

in areas that have burned heavily, such as the Bitterroot Valley in Montana did in 2000, or the Show Low, Arizona area did in 2002?

Answer. As I mentioned before, Arizona's fires were the worst in a century. Data is still being calculated, and the continued passage of time will tell a more complete story. Based on the information I've alluded to there is no question that the tourism-based industries and local economies have been negatively impacted by the fires. In 2002, Arizona's lodging, national and state park visitation reports show sluggish performance in the specific areas affected by the fires.

The Arizona Department of Revenue saw declines in lodging and lodging tax revenue in 2002 compared to 2001. Sales tax and employment were also adversely affected. Arizona national and state parks reported state-wide visitation declines with the parks closest to the fires reporting the steepest declines.

The Arizona Office of Tourism reported that wildfires might have affected travel decisions for national park visitors. The Rodeo-Chediski fire and media reports of wildfire activity likely affected visitor patterns and discouraged travel to some of these areas.

Question 5. Many of these fires cause land disturbances and result in trails and roads being closed due to the danger of falling trees, sometimes for several years after the fire. In your experience, when the tourist cannot access the areas that they had repeatedly used before, and they have to shift their recreation activities to other areas, what happens in the long run—are they likely to come back to the burned area, or will they simply develop a new favorite area to visit in the future?

Answer. A lot depends upon the area's ability to rebuild and recover from the fire. Part of the recovery also includes providing information to the public that they are open for business again. While this is happening, many frequent travelers may form an appreciation for a new favorite destination at the expense of the old site. So, some of the loyalty could be lost. In contrast, with the rebirth of the destination and an aggressive campaign to attract visitors, a new clientele will hopefully be developed. The key is having the resources to rebuild and inform potential visitors about the attraction or destination. Unfortunately, many states lose the needed resources to fighting fires.

[Note: Responses to the following questions were not received at the time this hearing went to press.]

QUESTIONS FROM SENATOR AKAKA FOR DAVE TENNY, DEPUTY UNDER SECRETARY,
NATURAL RESOURCES AND THE ENVIRONMENT, USDA

PUBLIC EDUCATION AND PRIVATE SECTOR PROGRAMS

There is conclusive scientific research and technology available to protect structures from forest fires—homes, businesses, buildings and the areas immediately adjacent to those structures. In this area we can have a direct impact on property loss and fire spread in communities.

Question 1. Would you agree that public education and private sector cooperation, in preparing lands and buildings to resist wildfires, is an essential feature of wildfire management?

Question 2. Why has the community assistance portion of the National Fire Plan been zeroed out in the President's FY 04 budget request? Additionally, why have the burned area restoration and rehabilitation programs received decreases in funding, culminating in a request of no funds for FY 04?

Question 3. With these decreases, how do you plan to foster private sector cooperation to use the technology and research we already have, in order to save homes and buildings in the wildfire interface?

QUESTIONS FROM SENATOR CAMPBELL

When we talk about fire danger in the west, we must be mindful of fire's effect on water. As you know, catastrophic wildfires can have catastrophic effects on watersheds where towns and cities located below the National Forest boundary get their water. Denver is still paying millions to try to recover from the devastating effects that the Hayman Fire has had, and may still have, on the city's water supply. Durango is struggling with similar issues in the wake of the Missionary Ridge fire.

Colorado and much of the West is experiencing the worst drought on record. When I am back in Colorado talking to water users, they are concerned about the

threat of ash and sediment from wildfires clogging their ditches, reservoirs, and drinking water intakes in the middle of this drought.

Question. Mr. Tenny, I would be interested to learn a little more about how the Forest Service is working with local communities to guard against future water contamination due to fires, as well as what they are doing now to rehabilitate those affected watersheds.

From your response, the Forest Service seems to really appreciate the effects fire has on existing municipal water supplies and is willing to work with the state.

Recognizing the drought conditions that the West, in particular, is facing, I think that it is more important than ever for the Forest Service to commit to work with the states in good faith on water issues. Unfortunately, some in the Forest Service have tried to impose bypass flows in our national forests, and circumvent working through state instream flow programs. You are aware that bypass flows are estimated to cause a reduction in the dry-year water supplies available from water facilities on National Forest lands by 50 to 80 percent?

Isn't the Forest Service's official policy to work with the states, pursuant to state law in administering water?

Can I tell city officials in Colorado, as well as farmers and ranchers, that you and the Forest Service, in general, are committed to working through the state instream flow program and eliminating the perception of threats to existing water supplies by imposing bypass flows?

Question. Colorado experienced its worst fire season on record last summer. My compliments go to the brave men and women who risked their lives to fight these fires. We also learned some lessons last summer and maybe you can tell me what adjustments we are making in anticipation of this year's fire season.

Particularly, how do we use our local resources in suppression operations?

How do we follow up with our communities to make sure we are reducing the risk?

One other thing, with the drought and the forest conditions what can we do better during the first 72 hours of a fire?

Question. Wildfires always seem to bring a lot of attention to the forest management problems facing our national parks. However, interest and coverage of these problems seem to wane as the fires die out.

In fact, remediation and rehabilitation in the aftermath of a fire that is often the most costly and difficult part of the process. Reseeding, erosion control, and preservation of archeological sites are costly and beyond the budget and resources of most national parks.

Parks in my home state of Colorado received monies through the Burned Area Restoration Program, but still are several million dollars short of funding to save resources damaged in last summer's fires.

How are you going to handle these budget shortfalls?

Question. Every state is facing significant fiscal challenges as they grapple with budget shortfalls. Tourism is Colorado's second largest source of revenue, contributing approximately \$7 billion in a normal year.

Unfortunately, the 2002 fire season was not a normal year. Although hard numbers are still being gathered, the Hayman, Missionary Ridge, and other fires cost the state of Colorado billions in tourist revenue.

In response to the fires in 2000 and 2002 park visits dropped 40% in the months of July and August in Mesa Verde Park in Durango. Closure due to wildfires reduced their overall visitations by almost 30% for the year. Correspondingly, the surrounding community of Durango suffered a 26% drop in tourist-related revenues. Clearly, this reduction in visits reduces their revenues and overall projected budget. We have then what amounts to a triple hit to the Park's available funds—those used to fight fires, those used for cleaning up the damage caused by fire, and a loss of overall revenue because of closures due the fire.

What sorts of plans are in place to handle this type of unplanned funding deficit?

Question. I would like to commend the efforts of Mesa Verde Park Superintendent, Larry Weise, and his staff for saving park resources, structures, and most importantly, lives, in last year's devastating Missionary Ridge fire near my hometown of Ignacio, CO.

Obviously, as fires are raging, there is not time to draft and complete Environmental Impact Statements (EIS) for fire-fighting efforts. I am wondering what kind of flexibility you are going to give parks in the future in dealing with wildfires when sufficient time does not exist to complete the EIS process?

Question. As you know, thinning projects have been very successful in my home state of Colorado. Partnerships between parks and local communities have particularly been effective in reducing fire risk in the critical urban interface areas. How

do community-based thinning programs fit into the Park Service's wildfire reduction plans in the future?

QUESTIONS FROM SENATOR CANTWELL

Question 1. In your testimony, you indicated that the U.S. Forest Service and the Department of the Interior performed hazardous fuels reduction activities on a total of 2.2 million acres, of which almost 1.0 million acres were in the wildland urban interface.

Of the approximately 1.0 million acres treated in the wildland urban interface in 2002, approximately 764,000 acres of National Forest lands were treated. Of these 764,000 acres, how many acres were treated within one-half mile of "at-risk" communities as listed in the Federal Register (66 F.R. 753)?

In 2003, the Forest Service estimates that it will treat approximately 893,000 acres in the wildland urban interface. However, in 2004, the Forest Service proposes to treat 716,000 acres. Can you explain why the agency would reduce the acreage treatment in high priority areas?

To better understand the actual work performed, can you provide the Forest Service's definition of wildland urban interface?

Question 2. My understanding is that the most effective way to reduce the risk to communities is to focus hazardous fuels reduction efforts on the wildland urban interface. Given the limited nature of funds for hazardous fuels reduction, what is the rationale for treating more lands outside the interface zone, than inside, in 2002?

Question 3. Of the seven million acres that burned during 2002, please provide a breakdown of acreage burned according to the following classifications:

- (1) Productive forest land on the National Forest System (lower 48)
- (2) Productive forest land on the National Forest System (Region 10)
- (3) Unforested and non-productive forest land on the National Forest System
- (4) Forested BLM lands
- (5) Unforested BLM lands outside of Alaska
- (6) Unforested BLM lands (Alaska State Office)
- (7) National Park System lands
- (8) National Wildlife Refuges (except for Region 7)
- (9) National Wildlife Refuges (Region 7)

QUESTIONS FOR LYNN SCARLETT FROM SENATOR DOMENICI

Question 1. Please provide the Energy and Natural Resource Committee a list of all known major insect and disease outbreaks (over 300 acres in size) by State. Include data on the rate of spread, what steps have been taken to control the spread, sanitize the infestation, or salvage the timber killed by the pathogen. Additionally, provide data on each project including NEPA documents that have been started and when they are expected to be completed. Finally, please indicate when each project is expected to be implemented (a copy of the desired format is attached additional information can be added).

Question 2. I understand that fires that burn in the boreal forests tend to produce very high levels of green house gases and other pollutants such as mercury, due to the amount of duff and peat that are consumed. What has the Department of the Interior done to study those fires and are your fire suppression people considering that pollution when they decide whether or not to fight these fires?

Question 3. Which states and areas are you most concerned for in terms of Department of the Interior lands, if we have another bad fire season this year?

Question 4. Can you highlight areas on Department of the Interior lands that are at an increased risk of fires as a result of insect, disease, or recent windthrow?

Question 5. In terms of this upcoming fire season, what are the biggest challenges your agencies face?

Question 6. We know that the BLM, in terms of both budget and number of employees, is quite smaller than the Forest Service, yet it has a large number of people who serve on fire fighting overhead teams and fire fighting crews. How did the 2000 or 2002 fire seasons affect the other work that the agency was expected to complete?

Question 7. We are now three years into implementation of the National Fire Plan and should be getting some idea of what has worked as planned, and what changes might need to be made. Ms. Scarlett, from where you sit today, in terms of implementation of the National Fire Plan, are there any parts of that plan that need to be updated or changed?

QUESTIONS FOR DAVE TENNY FROM SENATOR DOMENICI

Question 1. Please provide the Energy and Natural Resource Committee a list of all known major insect and disease outbreaks (over 300 acres in size) by State. Include data on the rate of spread, what steps have been taken to control the spread, sanitize the infestation, or salvage the timber killed by the pathogen. Additionally, provide data on each project including NEPA documents that have been started and when they are expected to be completed, and finally please indicate when each project is expected to be implemented (a copy of the desired format is attached additional information can be added).

Question 2. What steps can the Federal government take to be good neighbors, before the start of this coming fire season, in order treat federal stands that are adjacent to those areas target by Governor Davis's Emergency declaration?

Question 3. I would also like to know what we can do in other areas where we have huge insect and disease outbreaks to clean them up before they burn?

Question 4. I have seen a number of reports on some of the damage that was done to Mexican and Northern Spotted Owl activity centers in Arizona and Oregon last year. Can you expand upon that information for some of the other areas that have burned over the last three years and some of the other threatened or endangered species habitats that have been impacted?

Question 5. Has the agency made any systematic nationwide attempt to assess the damage, and the impacts of that damage to Threatened & Endangered Species, caused by these large catastrophic fires over the last decade?

Question 6. At least twice in the last three years we have seen relatively small rain storms after fires that have done significant damage to the burned watersheds. The one I am most familiar with is the Viveash Fire in 2000 in New Mexico, when rains caused terrible damage to those watersheds. This past year after the Missionary Ridge Fire, outside Bayfield and Durango, Colorado, rains did significant damage as well. Could your people put together a study to examine the short and long-term costs of having to deal with these rain-after-fire events over the last decade?

Question 7. Please describing the air pollution problems that these fires cause, and what your people do, in relation to the health of the fire fighters, when they are exposed to these pollutants day-after-day?

Question 8. I understand there have been a number of instances over the last couple of years that have caused State environmental protection agencies to consider evacuation of communities due to poor air quality during these large project fires. What are the costs of this type of air pollution on these communities and on your fire fighters?

Question 9. How many acres of planned hazardous fuels treatments and burned area rehabilitation and restoration projects had to be terminated in 2002 because funding for those activities was transferred to fire suppression?

Question 10. How many years will it take to treat the total number of acres currently in condition class 3 status under a "best-case-scenario" analysis?

Question 11. Wildfires are getting bigger and more expensive to fight. The 2002 wildfires cost both the USDA and DOI over \$1.4 billion and scorched over 7.1 million acres. The National Fire Plan is designed to address wildfire threats on all lands, public and private. What is the Administration doing to provide wildfire assistance for State and private lands? What are the needs?

Question 12. How are State and local firefighting resources integrated into federal wildfire suppression response?

Question 13. Are State and local officials integrated into the decision making process?

Question 14. I see from Forest Service harvest data that in the late 1980's you harvested 650,000 and 960,000 acres of forest a year in some type of treatment. During those years the agency was very focused on getting insect and diseased killed trees harvested and removed before they were hit with fires. In 2001, that level fell to less than 250,000 acres. Now the Forest Service is having a devil of a time getting these areas treated before they are hit by fire. What has changed since the 1985-1990 period and today? It seems to me that the same laws, and many of the same regulations that were used then are still in place. If that is the case, then what has caused the change in the number of acres?

Question 15. Given the Administration's policy initiatives and the new stewardship contracting authority that you've been provided, is it possible to increase treatment levels in these high risk stands above the levels we saw treated in the 1980's?

Question 16. What is the Forest Service's policy on priority when it comes to large insect infestations—do they still receive the highest priority for treatment?

Question 17. In the past the Forest Service has acquired the equipment from DOD. I understand the program to do this was changed last year, and the FS and

the States are no longer eligible to receive equipment during the initial screening phase of this process. As a result, there is great difficulty in finding suitable equipment to provide to the local and volunteer fire departments. What is the Forest Service's position on this issue?

Question 18. Would you support legislation to restore the Forest Service and your State partners to the initial screening phase for this excess equipment that is no longer needed by the Department of Defense?

QUESTIONS FROM SENATOR FEINSTEIN

Question 1. I have a question for Deputy Under Secretary Tenny about the bark beetle problem. San Bernardino National Forest Superintendent Gene Zimmerman has told my staff that he believes solving the bark beetle problem will require at least \$300 million dollars, including approximately \$5-6 million which is needed immediately simply to insure that evacuation routes are maintained, critical fire breaks are established and the necessary manpower and equipment is on hand. The omnibus provided about \$3.3 million for this problem, which is a start but not nearly enough. How does the Forest Service intend to address this problem?

Question 2. As I said before, I think that when the fires are being fought this summer, all we want a budget that is safe from raids on fire prevention measures or on projects building rural forestry infrastructure. Assistant Secretary Scarlet and Mr. Tenny, can you seriously commit to us to support such a budget? What can you do to produce such a budget?

Question 3. Last fall, the National Academy of Public Administration suggested that Interior and the Forest Service could make firefighting more efficient. Ms. Scarlet and Mr. Tenny, what can you do to save scarce federal dollars in response to this report?

Question 4. I recently had the pleasure of meeting with Wally Covington and Senator Kyl on fire-related issues. Professor Covington talked about how fuel reduction treatments in ponderosa pine and similar low elevation stands are very different from what treatments would be applicable in higher elevation, wetter forests. Mr. Tenny, do you agree that there is a stronger case for thinning treatments in the lower elevation forests that naturally had high frequency, low intensity fires that regularly cleared out the underbrush?

Question 5. There are far more acres needing treatment than what we can treat in the next few years. I believe there are as many as 73 million acres of Category 3 lands alone. My question is whether we can start out by treating portions of the landscape to reduce fire risk. For example, there is a strategy known as Strategically Placed Area Treatments that has been used in the Sierra Nevada Framework as an effort to treat 30-40% of the landscape, in order to prevent fires from reaching catastrophic levels and spreading across miles and miles. Similarly, the Quincy Library Group project relies on Defensible Fuel Profile Zones, broad fuelbreaks. Mr. Tenny, do you think these strategies of treating select areas have promise?

QUESTIONS FOR MR. TENNY FROM SENATOR SMITH

Question 1. How are you involving universities in the science, education and tech transfer parts of National Fire Plan?

Question 2. With respect to air assets available for the 2003 fire season, U.S. Forest Service studies show that large, heavy-lift helicopters used on initial attack that can insert and/or rappel ground firefighters and then immediately follow up with water or retardant drop operations are an extremely effective firefighting tool.

What plans does the Forest Service have to contract for this type of aircraft for the 2003 fire season?

QUESTION FROM SENATOR WYDEN

Question. With respect to air assets available for the 2003 fire season, U.S. Forest Service studies show that large, heavy-lift helicopters used on initial attack can effectively insert ground firefighters and follow up with water or retardant drops. What plans does the Forest Service have to contract for this type of aircraft for the 2003 fire season?