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FOREST LANDSCAPE RESTORATION ACT

JUNE 16, 2008.—Ordered to be printed

Mr. BINGAMAN, from the Committee on Energy and Natural Resources, submitted the following

R E P O R T

[To accompany S. 2593]

The Committee on Energy and Natural Resources, to which was referred the bill (S. 2593) to establish a program at the Forest Service and the Department of the Interior to carry out collaborative ecological restoration treatments for priority forest landscapes on public land, and for other purposes, having considered the same, reports favorably thereon with an amendment and recommends that the bill, as amended, do pass.

The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Forest Landscape Restoration Act of 2008".

SEC. 2. PURPOSE.

The purpose of this Act is to encourage the collaborative, science-based ecosystem restoration of priority forest landscapes through a process that—

(1) encourages ecological, economic, and social sustainability;

(2) leverages local resources with national and private resources;

(3) facilitates the reduction of wildfire management costs, including through reestablishing natural fire regimes and reducing the risk of uncharacteristic wildfire; and

(4) demonstrates the degree to which—

(A) various ecological restoration techniques—

(i) achieve ecological and watershed health objectives; and

(ii) affect wildfire activity and management costs; and

(B) the use of forest restoration byproducts can offset treatment costs while benefitting local rural economies and improving forest health.

SEC. 3. DEFINITIONS.

In this Act:

(1) FUND.—The term "Fund" means the Collaborative Forest Landscape Restoration Fund established by section 4(f).

(2) PROGRAM.—The term "program" means the Collaborative Forest Landscape Restoration Program established under section 4(a).

(3) PROPOSAL.—The term "proposal" means a collaborative forest landscape restoration proposal described in section 4(b).

(4) SECRETARY.—The term "Secretary" means the Secretary of Agriculture, acting through the Chief of the Forest Service.

(5) STRATEGY.—The term "strategy" means a landscape restoration strategy described in section 4(b)(1).

SEC. 4. COLLABORATIVE FOREST LANDSCAPE RESTORATION PROGRAM.

(a) IN GENERAL.—The Secretary, in consultation with the Secretary of the Interior, shall establish a Collaborative Forest Landscape Restoration Program to select and fund ecological restoration treatments for priority forest landscapes in accordance with—

(1) the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.);

(2) the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.); and

(3) any other applicable law.

(b) ELIGIBILITY CRITERIA.—To be eligible for nomination under subsection (c), a collaborative forest landscape restoration proposal shall—

(1) be based on a landscape restoration strategy that—

(A) is complete or substantially complete;

(B) identifies and prioritizes ecological restoration treatments for a 10-year period within a landscape that is—

(i) at least 50,000 acres;

(ii) comprised primarily of forested National Forest System land, but may also include land under the jurisdiction of the Bureau of Land Management, land under the jurisdiction of the Bureau of Indian Affairs, or other Federal, State, tribal, or private land;

(iii) in need of active ecosystem restoration; and

(iv) accessible by existing or proposed wood-processing infrastructure at an appropriate scale to use woody biomass and small-diameter wood removed in ecological restoration treatments;

(C) incorporates the best available science and scientific application tools in ecological restoration strategies;

(D) fully maintains, or contributes toward the restoration of, the structure and composition of old growth stands according to the pre-fire suppression old growth conditions characteristic of the forest type, taking into account the contribution of the stand to landscape fire adaptation and watershed health and retaining the large trees contributing to old growth structure;

(E) would carry out any forest restoration treatments that reduce hazardous fuels by—

(i) focusing on small diameter trees, thinning, strategic fuel breaks, and fire use to modify fire behavior, as measured by the projected reduction of uncharacteristically severe wildfire effects for the forest type (such as adverse soil impacts, tree mortality or other impacts); and

(ii) maximizing the retention of large trees, as appropriate for the forest type, to the extent that the trees promote fire-resilient stands; and

(F)(i) does not include the establishment of permanent roads; and

(ii) would commit funding to decommission all temporary roads constructed to carry out the strategy;

(2) be developed and implemented through a collaborative process that—

(A) includes multiple interested persons representing diverse interests; and

(B)(i) is transparent and nonexclusive; or

(ii) meets the requirements for a resource advisory committee under subsections (c) through (f) of section 205 of Public Law 106–393 (16 U.S.C. 500 note);

(3) describe plans to—

(A) reduce the risk of uncharacteristic wildfire, including through the use of fire for ecological restoration and maintenance and reestablishing natural fire regimes, where appropriate;

(B) improve fish and wildlife habitat, including for endangered, threatened, and sensitive species;

(C) maintain or improve water quality and watershed function;

(D) prevent, remediate, or control invasions of exotic species;

(E) maintain, decommission, and rehabilitate roads and trails;

(F) use woody biomass and small-diameter trees produced from projects implementing the strategy;

(G) report annually on performance, including through performance measures from the plan entitled the "10 Year Comprehensive Strategy Implementation Plan" and dated December 2006; and

(H) take into account any applicable community wildfire protection plan;

(4) analyze any anticipated cost savings, including those resulting from—

(A) reduced wildfire management costs; and

(B) a decrease in the unit costs of implementing ecological restoration treatments over time;

(5) estimate—

(A) the annual Federal funding necessary to implement the proposal; and

(B) the amount of new non-Federal investment for carrying out the proposal that would be leveraged;

(6) describe the collaborative process through which the proposal was developed, including a description of—

(A) participation by or consultation with State, local, and Tribal governments; and

(B) any established record of successful collaborative planning and implementation of ecological restoration projects on National Forest System land and other land included in the proposal by the collaborators; and

(7) benefit local economies by providing local employment or training opportunities through contracts, grants, or agreements for restoration planning, design, implementation, or monitoring with—

(A) local private, nonprofit, or cooperative entities;

(B) Youth Conservation Corps crews or related partnerships, with State, local, and non-profit youth groups;

(C) existing or proposed small or micro-businesses, clusters, or incubators; or

(D) other entities that will hire or train local people to complete such contracts, grants, or agreements; and

(8) be subject to any other requirements that the Secretary, in consultation with the Secretary of the Interior, determines to be necessary for the efficient and effective administration of the program.

(c) NOMINATION PROCESS.—

(1) SUBMISSION.—A proposal shall be submitted to—

(A) the appropriate Regional Forester; and

(B) if actions under the jurisdiction of the Secretary of the Interior are proposed, the appropriate—

(i) State Director of the Bureau of Land Management;

(ii) Regional Director of the Bureau of Indian Affairs; or

(iii) other official of the Department of the Interior.

(2) NOMINATION.—

(A) IN GENERAL.—A Regional Forester may nominate for selection by the Secretary any proposals that meet the eligibility criteria established by subsection (b).

(B) CONCURRENCE.—Any proposal nominated by the Regional Forester that proposes actions under the jurisdiction of the Secretary of the Interior shall include the concurrence of the appropriate—

(i) State Director of the Bureau of Land Management;

(ii) Regional Director of the Bureau of Indian Affairs; or

(iii) other official of the Department of the Interior.

(3) DOCUMENTATION.—With respect to each proposal that is nominated under paragraph (2)—

(A) the appropriate Regional Forester shall—

(i) include a plan to use Federal funds allocated to the region to fund those costs of planning and carrying out ecological restoration treatments on National Forest System land, consistent with the strategy, that would not be covered by amounts transferred to the Secretary from the Fund; and

(ii) provide evidence that amounts proposed to be transferred to the Secretary from the Fund during the first 2 fiscal years following selection would be used to carry out ecological restoration treatments consistent with the strategy during the same fiscal year in which the funds are transferred to the Secretary;

(B) if actions under the jurisdiction of the Secretary of the Interior are proposed, the nomination shall include a plan to fund such actions, consistent with the strategy, by the appropriate—

(i) State Director of the Bureau of Land Management;

(ii) Regional Director of the Bureau of Indian Affairs; or

(iii) other official of the Department of the Interior; and

(C) if actions on land not under the jurisdiction of the Secretary or the Secretary of the Interior are proposed, the appropriate Regional Forester shall provide evidence that the landowner intends to participate in, and provide appropriate funding to carry out, the actions.

(d) SELECTION PROCESS.—

(1) IN GENERAL.—After consulting with the advisory panel established under subsection (e), the Secretary, in consultation with the Secretary of the Interior, shall, subject to paragraph (2), select the best proposals that—

(A) have been nominated under subsection (c)(2); and

(B) meet the eligibility criteria established by subsection (b).

(2) CRITERIA.—In selecting proposals under paragraph (1), the Secretary shall give special consideration to—

(A) the strength of the proposal and strategy;

(B) the strength of the ecological case of the proposal and the proposed ecological restoration strategies;

(C) the strength of the collaborative process and the likelihood of successful collaboration throughout implementation;

(D) whether the proposal is likely to achieve reductions in long-term wildfire management costs;

(E) whether the proposal would reduce the relative costs of carrying out ecological restoration treatments as a result of the use of woody biomass and small-diameter trees; and

(F) whether an appropriate level of non-Federal investment would be leveraged in carrying out the proposal.

(3) LIMITATION.—The Secretary may select not more than—

(A) 10 proposals to be funded during any fiscal year;

(B) 2 proposals in any 1 region of the National Forest System to be funded during any fiscal year; and

(C) the number of proposals that the Secretary determines are likely to receive adequate funding.

(e) ADVISORY PANEL.—

(1) IN GENERAL.—The Secretary shall establish and maintain an advisory panel comprised of not more than 15 members to evaluate, and provide recommendations on, each proposal that has been nominated under subsection (c)(2).

(2) REPRESENTATION.—The Secretary shall ensure that the membership of the advisory panel is fairly balanced in terms of the points of view represented and the functions to be performed by the advisory panel.

(3) INCLUSION.—The advisory panel shall include experts in ecological restoration, fire ecology, fire management, rural economic development, strategies for ecological adaptation to climate change, fish and wildlife ecology, and woody biomass and small-diameter tree utilization.

(f) COLLABORATIVE FOREST LANDSCAPE RESTORATION FUND.—

(1) ESTABLISHMENT.—There is established in the Treasury of the United States a fund, to be known as the "Collaborative Forest Landscape Restoration Fund", to be used to pay up to 50 percent of the cost of carrying out and monitoring ecological restoration treatments on National Forest System land for each proposal selected to be carried out under subsection (d).

(2) INCLUSION.—The cost of carrying out ecological restoration treatments as provided in paragraph (1) may, as the Secretary determines to be appropriate, include cancellation and termination costs required to be obligated for contracts to carry out ecological restoration treatments on National Forest System land for each proposal selected to be carried out under subsection (d).

(3) CONTENTS.—The Fund shall consist of such amounts as are appropriated to the Fund under paragraph (6).

(4) EXPENDITURES FROM FUND.—

(A) IN GENERAL.—On request by the Secretary, the Secretary of the Treasury shall transfer from the Fund to the Secretary such amounts as the Secretary determines are appropriate, in accordance with paragraph (1).

(B) LIMITATION.—The Secretary shall not expend money from the Fund on any 1 proposal—

(i) during a period of more than 10 fiscal years; or

(ii) in excess of $4,000,000 in any 1 fiscal year.

(5) ACCOUNTING AND REPORTING SYSTEM.—The Secretary shall establish an accounting and reporting system for the Fund.

(6) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Fund $40,000,000 for each of fiscal years 2009 through 2019, to remain available until expended.

(g) PROGRAM IMPLEMENTATION AND MONITORING.—

(1) WORK PLAN.—Not later than 180 days after the date on which a proposal is selected to be carried out, the Secretary shall create, in collaboration with the interested persons, an implementation work plan and budget to implement the proposal that includes—

(A) a description of the manner in which the proposal would be implemented to achieve ecological and community economic benefit, including capacity building to accomplish restoration;

(B) a business plan that addresses—

(i) the anticipated unit treatment cost reductions over 10 years;

(ii) the anticipated costs for infrastructure needed for the proposal;

(iii) the projected sustainability of the supply of woody biomass and small-diameter trees removed in ecological restoration treatments; and

(iv) the projected local economic benefits of the proposal; and

(C) documentation of the non-Federal investment in the priority landscape, including the sources and uses of the investments; and

(D) a plan to decommission any temporary roads established to carry out the proposal.

(2) PROJECT IMPLEMENTATION.—Amounts transferred to the Secretary from the Fund shall be used to carry out ecological restoration treatments that are—

(A) consistent with the proposal and strategy; and

(B) identified through the collaborative process described in subsection (b)(2).

(3) ANNUAL REPORT.—The Secretary, in collaboration with the Secretary of the Interior and interested persons, shall prepare an annual report on the accomplishments of each selected proposal that includes—

(A) a description of all acres (or other appropriate unit) treated and restored through projects implementing the strategy;

(B) an evaluation of progress, including performance measures and how prior year evaluations have contributed to improved project performance;

(C) a description of community benefits achieved, including any local economic benefits;

(D) the results of the multiparty monitoring, evaluation, and accountability process under paragraph (4); and

(E) a summary of the costs of—

(i) treatments; and

(ii) relevant fire management activities.

(4) MULTIPARTY MONITORING.—The Secretary shall, in collaboration with the Secretary of the Interior and interested persons, use a multiparty monitoring, evaluation, and accountability process to assess the positive or negative ecological, social, and economic effects of projects implementing a selected proposal for not less than 15 years after project implementation commences.

(h) REPORT.—Not later than 5 years after the first fiscal year in which funding is made available to carry out ecological restoration projects under the program, and every 5 years thereafter, the Secretary, in consultation with the Secretary of the Interior, shall submit a report on the program, including an assessment of whether, and to what extent, the program is fulfilling the purposes of this Act, to—

(1) the Committee on Energy and Natural Resources of the Senate;

(2) the Committee on Appropriations of the Senate;

(3) the Committee on Natural Resources of the House of Representatives; and

(4) the Committee on Appropriations of the House of Representatives.

(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary and the Secretary of the Interior such sums as are necessary to carry out this Act.

PURPOSE

The purpose of S. 2593, the Forest Landscape Restoration Act, is to establish a program at the Forest Service and the Department of the Interior to select, fund, and carry out landscape-scale restoration projects on National Forests and other land through a process that encourages collaboration, relies on the best available science, facilitates local economic development, and leverages local funds with national and private funding.

BACKGROUND AND NEED

On September 8, 2000, the Secretaries of the Interior and Agriculture issued a report to the President that became known as the "National Fire Plan." One of the goals of that plan was to restore landscapes by working collaboratively with communities to develop and implement forest restoration projects and to utilize the restoration byproducts to foster local economic development. Since 2000, the scientific, economic, and social interest in landscape-scale forest restoration has grown significantly.

Landscape-scale restoration is important for a number of reasons. First, particularly in forest-types historically characterized by frequent, low-intensity wildfires, landscape-scale restoration is a key to controlling unnaturally intense wildfire behavior and, as a result, wildfire suppression costs. Wildland fire appropriations nearly quadrupled between 1996 and 2005, and they continue to grow. In both of fiscal years 2006 and 2007, the Federal agencies spent nearly $2 billion on wildfire suppression. By depriving wildfires of unnatural accumulations of fuel, restoration treatments can significantly reduce the intensity and increase the manageability of wildfires, which translates into reduced fire-suppression costs.

Second, landscape-scale treatments are seen as necessary for restoring the health of forest ecosystems that have been impaired by fire-suppression and land uses that permitted unnatural accumulations of vegetation. Many landscapes in such forests also are threatened by invasive species, deteriorating road and trail systems, and climate change, for example. In such cases, a strategic, landscape restoration approach often is necessary not only to reduce the risks of unnaturally intense and frequent wildfires, but also to restore watershed function, fish and wildlife habitat, and general ecosystem health.

Finally, landscape-scale restoration is an important component of successful economic utilization of small-diameter trees and woody biomass. Large-scale forest restoration efforts can help to provide economies-of-scale, and long-term efforts can help to provide entrepreneurs with the confidence that encourages initiative and investment. Economic utilization of such byproducts can, in turn, help to defray the costs of restoration.

Despite the importance of landscape-scale restoration and its ecological, fiscal, and economic benefits, it remains largely untested (at least as contemplated by S. 2593). Weaknesses in planning and prioritizing restoration treatments have discouraged true landscape-scale restoration. In addition, the large costs associated with landscape-scale restoration efforts make them extremely difficult to fit within local or regional agency budgets. A December 2004 report of the Western Governors' Association captured these concerns by highlighting "the need for a landscape-level vision for restoration of forests", along with a "strong call for improved collaboration", "committed long-term funding", improved "monitoring of accomplishments", and "promoting fire as a management tool".

S. 2593 responds to these challenges by establishing a collaborative process that relies on the best-available science to plan and prioritize landscape restoration efforts on National Forests and other lands. It also establishes a competitive, long-term funding

mechanism that supplements local resources and encourages non-Federal support in carrying out priority landscape restoration efforts.

LEGISLATIVE HISTORY

Senators Bingaman, Domenici, Feinstein, and others introduced S. 2593 on February 5, 2008. The Subcommittee on Public Lands and Forests held a hearing on S. 2593 on April 1, 2008. At its business meeting on May 7, 2008, the Committee on Energy and Natural Resources ordered S. 2593 favorably reported, with an amendment in the nature of a substitute.

COMMITTEE RECOMMENDATION

The Senate Committee on Energy and Natural Resources, in an open business session on May 7, 2008, by voice vote of a quorum present, recommends that the Senate pass S. 2593, if amended as described herein.

COMMITTEE AMENDMENT

During its consideration of S. 2593, the Committee adopted an amendment in the nature of a substitute. The amendment clarifies and emphasizes the role of the Secretary of the Interior in the Collaborative Forest Landscape Restoration Program, a reflection of the importance of collaboration among the Forest Service and other agencies within the Department of the Interior in developing, considering, selecting, and implementing collaborative forest landscape restoration proposals. The amendment mandates a single panel to advise the Secretaries during the selection process instead of authorizing both a scientific and technical advisory panel. Also, included in the amendment is language requiring funding to decommission temporary roads, underscoring the importance of watershed health and improving watershed function as part of landscape restoration, clarifying the role of successfully pre-established collaboration in the eligibility criteria, emphasizing local economic development, expanding the uses of the Fund to include monitoring and certain contracting costs, and making other technical and conforming improvements. The amendment is described in detail in the section-by-section analysis below.

SECTION-BY-SECTION ANALYSIS

Section 1 contains the short title of the bill.

Section 2 states the purpose of the bill.

Section 3 provides the definitions for the bill.

Section 4(a) directs the Secretary, in consultation with the Secretary of the Interior, to establish the Collaborative Forest Landscape Restoration Program ("Program") to select and fund ecological restoration treatments for priority forest landscapes. Subsection (a) also clarifies that the restoration treatments are to be carried out in accordance with applicable law, including appropriate National Environmental Policy Act evaluation of specific projects that are proposed by Federal agencies to implement those collaborative forest landscape restoration proposals that are selected by the Secretary.

Subsection (b) establishes the criteria that a collaborative forest landscape restoration proposal ("proposal") must meet to be eligible for nomination by the Regional Forester for selection and funding through the Program.

Paragraph (1) describes the landscape restoration strategy ("strategy") that forms the foundation for the proposal and, ultimately, for the strategic implementation of restoration projects across the covered landscape.

Subparagraph (A) provides that the strategy must be complete or substantially complete when the proposal is submitted so agency decision-makers and advisors have sufficient information on which to base their nominating and selection decisions and so managers have concrete guidance to implement the proposal if it is selected. At the same time, this provision leaves sufficient flexibility to improve the strategy over time (e.g., through feedback during the nomination and selection processes and through adaptive management during implementation).

Subparagraph (B) provides that the strategy must identify and prioritize proposed ecological restoration treatments within a landscape for a 10-year period. Actual restoration of the landscape may require more than 10 years of effort (as would monitoring and maintenance), but the bill contemplates no more than 10 years of funding through the Program.

Clause (i) requires the landscape to consist of at least 50,000 acres. The strategy may call for active restoration treatment of only a portion of those acres. Ultimately, the purpose of this requirement is to ensure that restoration occurs at a sufficient scale to appreciably improve wildfire behavior and management costs, to restore natural ecosystem and watershed functions, and to facilitate appropriate utilization of woody biomass and small-diameter wood.

Clause (ii) requires the landscape to be composed primarily of forested National Forest System land, though it also makes clear that other land ownerships and types may be included.

Clause (iii) requires that the landscape be in need of active ecosystem restoration. This clause calls for an ecological justification and approach to landscape restoration, again recognizing that it may be that only a portion of the landscape needs to be actively restored to appreciably improve landscape-scale ecosystem and watershed function.

Clause (iv) requires the landscape to be accessible by existing or proposed wood-processing infrastructure at an appropriate scale to use woody biomass and small-diameter wood removed in ecological restoration treatments. This provision recognizes that economic utilization of ecological restoration byproducts is a critical element of the program, while at the same time making clear that the Program is not intended to encourage the development of wood utilization infrastructure at a scale that would adversely affect the long-term ecological sustainability of the area. This provision also makes clear that communities that currently do not have appropriate infrastructure are not disadvantaged, as they may propose new infrastructure to use woody biomass and small-diameter wood that is removed in ecological restoration treatments to fully satisfy this requirement. At the same time, this provision is not intended to disadvantage communities merely because they have existing infrastructure capacity that may surpass the scale necessary to im-

plement the proposal, as the proposal may rely on using a portion of that capacity to carry out the proposal.

Subparagraph (C) requires the strategy to incorporate the best available science and scientific application tools (such as vegetation and fuels models) in ecological restoration strategies. To a considerable degree, landscape restoration remains experimental, and this provision emphasizes the critical role of science in directing the restoration.

Subparagraph (D) requires the strategy to incorporate (and projects to comply with) specific direction for retaining and restoring old-growth stands.

Subparagraph (E) provides specific direction for the strategy and project implementation requiring hazardous fuels reduction to focus on small diameter trees, thinning, strategic fuel breaks, and fire use, and to maximize the retention of large trees, as appropriate for the forest type and to the extent that the trees promote fire-resilient stands.

Subparagraph (F) prohibits establishing permanent roads as part of the restoration strategy or project implementation and requires a commitment to fund the decommissioning of all temporary roads constructed to carry out the strategy. This provision does not preclude maintaining or reconstructing existing roads as part of the strategy, as doing so may have significant watershed, ecological, and fire management benefits. It is the Committee's understanding that existing Forest Service policy requires temporary roads to be decommissioned by the conclusion of the contract, permit, lease, or other document that authorizes the restoration activity, and the requirement in clause (ii) reflects that policy.

Paragraph (2) requires that each proposal be developed and implemented through a collaborative process that meets the specified requirements. A resource advisory committee that meets the appointment, composition, majority vote, and other requirements of the specified subsections of the Secure Rural Schools and Community Self-Determination Act (Pub. L. 106–393) would satisfy the requirements of subparagraph (B), regardless of whether the specific authorities of that Act have expired. Such resource advisory committees have fostered successful collaboration in the context of National Forest restoration projects, and this provision recognizes that they may appropriately play a long-term role through the Program. There is no requirement that the Forest Service or other Federal agencies participate in developing the proposal (though such participation certainly is appropriate, and it likely would strengthen the proposal and significantly increase the chances of nomination, selection, and effective implementation).

Paragraph (3) requires the proposal to specifically describe plans to accomplish some of the key goals of the Program, if selected, including plans to (A) reduce the risk of uncharacteristic wildfire and, where appropriate, to reestablish natural fire regimes through the use of fire (prescribed and wildland fire use), (B) improve fish and wildlife habitat, (C) maintain or improve water quality and watershed function, (D) respond to invasive species, (E) maintain, decommission, and rehabilitate roads and trails, (F) use woody biomass and small-diameter trees, (G) report annually on implementation performance, and (H) consider applicable community wildfire protection plans.

Paragraph (4) requires the proposal to include an analysis of any anticipated cost savings, including (but not necessarily limited to) those resulting from reduced wildfire management costs and any decrease in the unit costs of implementing ecological restoration treatments over time. The latter provision's reference to "unit costs" recognizes that the most appropriate unit of measurement may not be cost-per-acre-treated and will vary with the circumstances.

Paragraph (5) requires the proposal to estimate the annual Federal funding necessary to implement the proposal and the amount of new non-Federal investment for carrying out the proposal that would be leveraged (e.g., financial or in-kind contributions from foundations and other non-governmental organizations, State government, and private investors).

Paragraph (6) requires the proposal to include a description of the collaborative process through which the proposal was developed. Subparagraph (A) emphasizes the importance of including—or at least consulting with—representatives of State, local, and tribal governments. Subparagraph (B) requires a description of whether the collaborative group has an established record of successful planning and implementation of ecological restoration projects with the Forest Service and other relevant land managers. A strong track-record is an important indicator of a functional collaborative process and that the proposal is relatively likely to be carried out effectively and efficiently if selected.

Paragraph (7) requires the proposal to benefit local economies by providing certain local employment or training opportunities. Specifically, the proposal must generate local economic opportunities through contracts, grants, or agreements for restoration planning, design, implementation, or monitoring with certain local parties, including youth corps, small businesses (as defined by the Small Business Administration), micro-businesses, business clusters, or business incubators. Although proposals cannot pre-determine the Federal agencies' ultimate decisions regarding how, when, and with whom contracts, grants, and agreements would be made if the proposal is selected, the proposal can and must demonstrate that selection and implementation of the proposal would provide "opportunities" for local economic development, and it should describe how local interests are prepared to pursue those opportunities. There also may be opportunities to demonstrate that the proposal will benefit the local economy as a result of existing relationships with the Forest Service and other Federal agencies or with non-Federal parties.

Paragraph (8) states that the Secretary, in consultation with the Secretary of the Interior, may call for proposals to include additional information or to meet other requirements that are necessary for the efficient and effective administration of the Program.

Subsection (c) describes the nomination process for proposals. The bill leaves much of the nomination process to the Secretaries' discretion. It is important to the integrity of the Program, however, that the nomination process be fair and transparent with meaningful consideration and careful, competitive selection. Nothing in this subsection precludes the Regional Forester (and other appropriate officials) from establishing a formal or informal pre-proposal process that facilitates the submission of strong proposals with broad

support. Analogous programs have benefited significantly from such a process, and they certainly would be within the spirit of the bill.

Paragraph (1) states that each proposal must be submitted to the Regional Forester for consideration. If actions under the jurisdiction of the Secretary of the Interior are proposed, the proposal also must be submitted to the appropriate official of the Department of the Interior.

Paragraph (2) states that the Regional Forester may nominate proposals for consideration and potential selection by the Secretary. If actions under the jurisdiction of the Secretary of the Interior are proposed, the appropriate official of the Department of the Interior must concur in the nomination.

Paragraph (3) requires certain documentation for each proposal that is nominated by the Regional Forester.

Subparagraph (A)(i) requires the Regional Forester to include a plan to fund the planning and implementation costs of projects proposed for National Forest System land that would not be covered by the Fund. This requirement is intended to ensure that there will be adequate funding to efficiently and effectively carry out each proposal that is selected. Clause (ii) requires the Regional Forester to provide evidence that, during the first two years after selection, money from the Fund would be used to carry out ecological restoration treatments during the same fiscal year in which the funds are transferred to the Secretary. This provision is intended to provide assurance from the Regional Forester that the Forest Service has the capacity (e.g., staffing and existing project decisions) at the local and regional level to promptly begin on-the-ground restoration projects that are consistent with the strategy with the funds that are provided.

Subparagraph (B) requires the appropriate official in the Department of the Interior to include a plan to fund any actions proposed to be carried out by the Secretary of the Interior.

Subparagraph (C) requires that if actions on land not under the jurisdiction of the Secretary or the Secretary of the Interior are contemplated (e.g. private, State, or other Federal land), then the Regional Forester must provide evidence that each owner of such land will support and participate in the effort.

Subsection (d) describes the selection process for proposals that have been nominated by the Regional Forester for consideration by the Secretary and the Secretary of the Interior.

Paragraph (1) directs the Secretary, in consultation with the Secretary of the Interior and the advisory panels, to select the best proposals that meet the eligibility criteria established by subsection (b) and have been nominated pursuant to subsection (c). Selection of a proposal makes it eligible for funding through the Program.

Paragraph (2) requires the Secretary to give special consideration in selecting proposals to six criteria. The six criteria capture the most important goals of the Program and are intended to be given great weight. These criteria are not exclusive, however, and the advisory panels and the Secretary may rely on additional considerations that further the purposes of the Program in forming their recommendations and making selections of the best proposals.

Subparagraph (A) provides the first criterion: the strength of the landscape restoration proposal and strategy. This provision re-

quires a general evaluation of the likelihood that the proposal and the strategy will successfully guide their implementation in a way that efficiently and effectively achieves their goals (considering the purposes of the Program and the eligibility criteria).

Subparagraph (B) provides the second criterion: the strength of the ecological case of the proposal for landscape restoration and the proposed ecological restoration strategies. This requires an ecological evaluation of the need for active ecological restoration, whether the proposed restoration strategies are best suited to improve ecosystem and watershed function, and the degree to which those strategies will improve ecosystem and watershed function.

Subparagraph (C) provides the third criterion: the strength of the collaborative process and the likelihood of successful collaboration throughout implementation. Experience shows that projects that enjoy strong collaborative support are far less likely to devolve into controversy and associated appeals and litigation, and are more likely to be efficiently and effectively implemented. Elements of strong collaboration in this context include the degree to which stakeholders representing the diversity of interested parties are included in the collaborative process and the extent to which the collaborators have an established record of successful collaborative planning and implementation of ecological restoration projects with the Forest Service and other participating agencies and entities.

Subparagraph (D) provides the fourth criterion: whether the proposal is likely to achieve reductions in long-term wildfire management costs. Reducing wildfire management is a critical challenge and an important goal of the Program. This criterion requires a technical evaluation of whether the proposal is likely to improve wildfire behavior and management. It recognizes that reductions in wildfire management may not be achieved over the short-term and that the long-term efforts that may be necessary to maintain such improvements should be considered. This criterion is not intended to give varying weight to proposals based simply on the amount of cost reduction they would achieve, as the appropriate amount of reduction will vary based on the circumstances.

Subparagraph (E) provides the fifth criterion: whether the proposal would reduce the relative costs of carrying out treatments as a result of the use of woody biomass and small-diameter trees. Biomass utilization from forest restoration is an ongoing financial challenge for Federal agencies and an economic challenge for local communities, and it is an important element of the Program. This criterion requires consideration of whether any costs would be reduced as a result of biomass and small-diameter tree utilization. It is not intended to give varying weight to proposals based simply on the amount of cost reduction they would achieve, as different communities, landscapes, and other circumstances generate different capacities to produce such reductions and the appropriate amount of reduction therefore will vary.

Subparagraph (F) provides the sixth criterion: whether an appropriate level of non-Federal investment would be leveraged in carrying out the proposal. This provision does not require any specific level of non-Federal funding (i.e., there is no required "match"), and what level is appropriate would depend on all of the circumstances, including the varying capacities of different communities.

Paragraph (3) prohibits the Secretary from (A) selecting more than ten proposals for funding during any given year, (B) selecting more than two proposals in any single region of the National Forest System to be funded during any given year, or (C) selecting more than the number of proposals that the Secretary believes are likely to receive adequate funding. These limitations reflect the experimental nature of landscape-scale restoration, the realities of available funding to carry out such large projects, and the importance of selecting a geographically diverse set of proposals. The Committee anticipates that each selected project will require roughly $2 to $3 million per year from the Fund. That amount, when combined with the other agency funds, should provide a realistic sum to carry out a landscape-scale restoration proposal, while leaving enough money in the Fund to simultaneously carry out a number of other proposals. Subparagraph (C) recognizes the importance of adequate and predictable project funding to the success of the Program (particularly the economic development component). The Secretary should use his best judgment considering all of the relevant factors in making this determination, and should not rely exclusively on the President's budget proposal.

Subsection (e) directs the Secretary to establish and maintain an advisory panel to independently evaluate each proposal that has been nominated and provide recommendations for selection to the Secretaries based on that evaluation. Experience has shown that such panels play an important role in supporting a fair, rigorous, and merit-based competitive process. In order to control costs, paragraph (1) sets an upper limit of 15 members. As an advisory committee, the panel will be subject to the Federal Advisory Committee Act, and paragraph (2) comports with section 5(b) of that Act by requiring the panel to be fairly balanced. Given the complexity and experimental nature of landscape-scale restoration, it is particularly important to have experts aid the Secretaries in evaluating the proposals (and the strategies on which they are based), as provided for by the selection criteria. Paragraph (3) requires the panel to include (though not be limited to) a number of experts in various specified disciplines that are necessary to evaluating proposals in light of the most important purposes of the Program.

Subsection (f) establishes the Collaborative Forest Landscape Restoration Fund, which may be used to pay up to 50 percent of the costs of carrying out and monitoring ecological restoration treatments on National Forest System land for each proposal that is selected by the Secretary. The remainder of the costs of carrying out each proposal on National Forest System land are to be paid by Regional and local Forest Service offices (as provided by subsection (c)(3)(A)) through other appropriations (and leveraged funds, if available). While money from the Fund only is available for work on National Forest System land, the Committee notes that the Forest Service has existing authorities to assist communities and non-Federal landowners that are interested in participating in the Program and that additional funding is authorized by subsection (i) to support these existing authorities and other participating Federal agencies.

Paragraph (2) provides that the Secretary also is authorized to use the Fund to cover 50 percent of any cancellation and termination costs that are required to be obligated for implementing con-

tracts (as is required for multi-year contracts under 17.104(c) of the Federal Acquisition Regulations).

Paragraph (3) provides that the Fund is to consist of up to $40 million per year that is authorized for appropriation for up to ten years.

Paragraph (4) provides for the transfer of funds from the Treasury to the Secretary. The Committee's amendment limits the Secretary from using money from the Fund to support any proposal for a period of more than 10 years or in an amount greater than $4,000,000 in any one year. These provisions reflect the intent that the Program support each proposal for a maximum of ten years (though landscape restoration may continue under other authorities thereafter) and to support a diversity of proposals. As indicated earlier in this report, the Committee anticipates that $2 to $3 million per year from the Fund (which would be combined with at least that much from other sources) is likely to provide sufficient support for the proposals that are contemplated.

Paragraph (5) directs the Secretary to establish a reporting and accounting system for the Fund.

Paragraph (6) authorizes appropriations of $40 million per year to the Fund through fiscal year 2019.

Subsection (g) establishes a number of requirements for implementing selected proposals.

Paragraph (1) requires the Secretary, in collaboration with interested stakeholders (including any other participating Federal agencies), to develop for each selected proposal an implementation work plan and budget that includes: (A) a discussion of how the proposal will be implemented, (B) a business plan focused on appropriately achieving the economic sustainability goals of the proposal, (C) information regarding the non-Federal investments that are expected or have been committed to the proposal, and (D) a work plan and budget for decommissioning any temporary roads established to carry out the proposal. The requirement to develop a work plan and budget recognizes that many of the details of implementation will be beyond the scope of the proposal and strategy, but that it will nevertheless be necessary to plan and document many of those details at the outset of the implementation phase.

Paragraph (2) requires amounts from the Fund to be used to carry out ecological restoration treatments in a manner that is consistent with the landscape restoration proposal and strategy. Subparagraph (A) ensures that money from the Fund is used for on-the-ground restoration in a manner that maintains the integrity of the proposal and strategy, while at the same time leaving sufficient flexibility to allow adaptive management. Subparagraph (B) ensures that the collaborative process maintains a key role in identifying the projects to implement the proposal and strategy.

Paragraph (3) requires the Secretary, in consultation with the Secretary of the Interior and interested stakeholders, to prepare an annual report to be available for Congress and the general public on the accomplishments of each proposal that has been selected for funding under the Program.

Paragraph (4) requires the Secretary, in consultation with the Secretary of the Interior and interested stakeholders, to use a multiparty monitoring, evaluation, and accountability process to assess the positive or negative ecological, social, and economic effects

of projects implementing a selected proposal for not less than 15 years after project implementation commences. This provision recognizes the experimental nature of landscape-scale ecological restoration and the importance of collecting, analyzing, and sharing that information to advance the underlying goals of the Program. The Committee's amendment recognizes that while detailed monitoring of every single project implementing a proposal may be useful, it may not be realistic in all circumstances and therefore is not required.

Subsection (h) requires the Secretary, in consultation with the Secretary of the Interior, to submit a report every five years to the relevant congressional committees assessing whether, and to what extent, the Program is fulfilling the purposes of the Act.

Subsection (i) authorizes appropriations to the Secretaries of the Interior and Agriculture to carry out the bill. The appropriations authorized to be appropriated to the Fund by section 4(f)(6) are available for carrying out only a limited portion of the Program on National Forest System land. This subsection authorizes appropriations to fund other aspects of the bill, including, for example, ecological restoration treatments on land under the jurisdiction of the Bureau of Land Management and Bureau of Indian Affairs, the advisory panel, community support, and Forest Service regional funding requirements.

COST AND BUDGETARY CONSIDERATIONS

The following estimate of costs of this measure has been provided by the Congressional Budget Office:

S. 2593—Forest Landscape Restoration Act of 2008

Summary: S. 2593 would establish a collaborative program between the Secretaries of Agriculture and the Interior to select and fund ecological restoration projects on certain forest lands. To fund the program, the bill would create and authorize appropriations for the Collaborative Forest Landscape Restoration Fund.

Based on information from the Forest Service and assuming appropriation of the necessary funds, CBO estimates that implementing S. 2593 would cost $188 million over the 2009–2013 period and approximately $250 million in the years after 2013. Enacting this bill would not affect direct spending or revenues.

S. 2593 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

Estimated cost to the Federal Government: The estimated budgetary impact of S. 2593 is shown in the following table. The costs of this legislation fall within budget function 300 (natural resources and environment).

	By Fiscal Year, in Millions of Dollars—					
	2009	2010	2011	2012	2013	2009–2013
CHANGES IN SPENDING SUBJECT TO APPROPRIATION						
Authorization Level	40	40	40	40	40	200
Estimated Outlays	30	38	40	40	40	188

Basis of estimate: For this estimate, CBO assumes that S. 2593 will be enacted near the start of fiscal year 2009 and that the authorized amounts will be appropriated over the 2009–2013 period.

S. 2593 would establish a collaborative program between the Secretaries of Agriculture and the Interior to select and fund ecological restoration projects on certain forest lands. The projects conducted under the program could involve state, local, and tribal participants, and projects would, among other activities, explore ways to reduce the costs of managing wildland fires by re-establishing natural fire regimes. (A natural fire regime describes the pattern that fires follow in particular ecosystems.)

S. 2593 would establish a fund in the Treasury to pay for up to half of the costs of the projects and would authorize the appropriation of $40 million a year to the fund over the 2009–2019 period. The Secretaries currently spend several million dollars per year managing wildland fires and on programs to promote healthy forest lands. Under the bill project funding also could come from local governments or private entities.

Based on information from the Forest Service and assuming appropriation of the authorized amounts, CBO estimates that implementing S. 2593 would cost $188 million over the 2009–2013 period and approximately $250 million in the years after 2013.

Intergovernmental and private-sector impact: S. 2593 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

Estimate prepared by: Federal Costs: Tyler Kruzich; Impact on State, Local, and Tribal Governments: Melissa Merrell; Impact on the Private Sector: Amy Petz.

Estimate approved by: Theresa Gullo, Deputy Assistant Director for Budget Analysis.

REGULATORY IMPACT EVALUATION

In compliance with paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee makes the following evaluation of the regulatory impact which would be incurred in carrying out S. 2593.

The bill is not a regulatory measure in the sense of imposing Government-established standards or significant economic responsibilities on private individuals and businesses.

No personal information would be collected in administering the program. Therefore, there would be no impact on personal privacy.

Little, if any, additional paperwork would result from the enactment of S. 2593.

CONGRESSIONALLY DIRECTED SPENDING

S. 2593 does not contain any congressionally directed spending items, limited tax benefits, or limited tariff benefits as defined in rule XLIV of the Standing Rules of the Senate.

EXECUTIVE COMMUNICATIONS

The views of the Administration were included in testimony received by the Committee at a hearing on S. 2593 on April 1, 2008, which is printed below.

STATEMENT OF GAIL KIMBELL, CHIEF, FOREST SERVICE, DEPARTMENT OF AGRICULTURE

Thank you for the opportunity today to provide the Forest Service's view on S. 2593, a bill that would provide for the establishment of a program to carry out collaborative ecological restoration treatments on priority forest landscapes. We support the intent of the bill to work on a landscape scale, to integrate the best available science, and to implement proposals through a collaborative process. As reflected by the inclusion of an ecosystems demonstration legislative proposal within the President's FY 2009 Budget and much of our current work, we share this goal. The Administration's ecosystem demonstration proposal would expand our ability to bring new partners together with the Forest Service on landscape-scale projects that restore forests through market-oriented approaches to stewardship of national forests.

Both the President's proposal and S. 2593 reflect a collaborative approach that builds commitment to partnership and ownership of the results. Each would help different groups find their common interests and leverages resources to get work done. Although the Forest Service has been carrying out restoration work across landscapes under current authorities, S. 2593 would enhance our current efforts by helping prioritize landscape-level restoration work. In my testimony, I will give some background on our current efforts in landscape-level work and make some general comments on the bill.

We believe there is a need for action to restore the health of many of the Nation's forests and rangelands. On the one hand, some of our forests and grasslands have adapted to natural disturbance regimes. On the other hand, many areas across the Nation are experiencing extended droughts, reduced snow packs, damaging storm events, and other environmental stressors. The presence of large amounts of hazardous forest and rangeland fuels poses a risk of catastrophic wildfire that threatens other public and private land and natural resources and communities. Millions of acres of forest and rangeland ecosystems are under attack from native insects, such as bark beetles as well as non-native invasive species. For example between 2000–2004, trees were killed on approximately 27.1 million acres in the Western States from a combination of factors. These diverse threats affect aquatic and terrestrial ecosystems in virtually every region of the country.

CURRENT EFFORTS

We believe that hazardous fuels treatment and other forest management approaches, such as forest thinning projects can help mitigate these risks, restore healthy forest conditions, and increase the ability of our Nation's forests and grasslands to adapt to ecological shifts associated with climate change. The Forest Service has taken several actions to accomplish these objectives, for example:

Forest Restoration Framework and Policy. The Forest Service has completed a strategic, science-based framework for restoring and maintaining forest and grassland ecological conditions titled the "Ecosystem Restoration Framework." The framework looks at the development of an integrated agency-wide forest restoration policy to promote ecosystem restoration and efforts to integrate this work across all functional areas of the agency. The framework also considers integration of ecosystem restoration into our national strategic, forest land and resource management plans, and project plans; and use of incentives to increase accomplishment of restoration objectives.

The framework will address policy factors such as requirements to plan, implement, monitor, and evaluate ecological restoration activities in consideration of current and future desired conditions and the potential for future changes in environmental conditions, including climate change. Our policy will provide consistent guidance to all of our field units; communicate our intention to increase emphasis on operating at a landscape scale, and our expectation to accelerate collaborative restoration work. The policy is under development and is expected to be released within the near future.

Stewardship Contracting as a Tool to Accomplish Restoration. The Forest Service has been actively using stewardship contracts, part of the Healthy Forests Initiative, to advance hazardous fuels reduction and other forest restoration treatments in priority areas. Last year, we completed an assessment of our progress on implementing stewardship contracting, and we are working to expand our use of stewardship contracting. We believe that stewardship contracting is an effective tool to implement the landscape restoration proposals under this bill, and we think that the authority to enter into the contracts should be made permanent. Several projects stand out as examples of this tool's capability.

- The White Mountain Stewardship Contract on the Apache-Sitgreaves National Forests in Springerville, Arizona is the largest stewardship contract in the nation. This contract has a 10-year term to treat 15,000 acres per year for a total of about 150,000 acres, and it is entering its fourth year. The project was designed and is being carried out through a collaboration of various state and local governments, representatives of local forest products industry, and special interest groups. The goals of this effort are to restore forest health, reduce the risk of fire to communities, reduce the cost of forest thinning, support local economies, and encourage new wood product industries and uses for the thinned wood fiber. Removal of saw timber is offsetting the cost of fuels treatments and improvements to forest health. In addition, the project will partially supply material to the Renegy Biomass Plant (25 megawatt) in Snowflake, AZ.
- In Alamogordo, New Mexico, the Lincoln National Forest and the Mescalero Apache Tribe signed the 16 Springs

Stewardship Project under the authority of the Tribal Forest Protection Act (TFPA, Public Law 108–248). This is the first stewardship contract under the TFPA authority, which permits the Federal government to enter into contracts and agreements with American Indian Tribes for work on public lands bordering on or adjacent to tribal lands. The 6-year contract involves 15,000 treatment acres (half with commercial timber harvest and service work, half with service work only). The service work primarily consists of thinning and fuel treatments. The project is designed to reduce the threat of wildfire and forest disease spread from public lands to Tribal land. The project will contribute to the central priority of restoration of fire-adapted ecosystems by reducing intensities of wildfires, especially in Wildland-Urban Interface (WUI) as identified under the Otero County Community Wildfire Protection Plan, sanctioned by the Otero County Working Group. Furthermore, the project will restore natural ecologic processes across a range of forest types, provide forest products to the local community, and enhance watershed conditions. The full implementation of this contract will reduce the threat of damaging wildfire to national forest system, private, and tribal lands.

- The Sustained Yield Restoration Stewardship Contract on the Fremont-Winema National Forest in Lakeview, Oregon is a contract with a 10-year term that we anticipate will treat about 3,000 acres per year for a total of about 30,000 acres. This project will reduce the risk of catastrophic fire and restore watershed conditions. The goals of the project are to sustain and restore a healthy and resilient forest ecosystem that can accommodate human and natural disturbances, to sustain and restore the capacity to absorb, store, and distribute quality water, and to enhance opportunities for people to realize spiritual and recreational values on the forest. The forest thinning treatments will yield sawlogs and biomass. The biomass from this contract will provide a portion of the material necessary to produce electric energy in the planned $20-million Lakeview Biomass Plant. Once this plant is operational, it is expected to annually produce about 13 megawatts of renewable energy. The project is an outgrowth of a 20-year Memorandum of Understanding signed by The Collins Companies, Marubeni Sustainable Energy, Lake County Resources Initiative, Oregon Department of Forestry, Lake County, Town of Lakeview, City of Paisley, the BLM, and the Forest Service.
- The Front Range Stewardship Contract is located on the Pike, San Isabel, Arapaho, and Roosevelt National Forests in Colorado and is a contract with a 10-year term that should treat about 4,000 acres per year for a total of about 40,000 acres. This contract will involve the harvest of saw timber, treatment of non-saw timber, biomass and slash and will create fuel modification zones, fuelbreaks and fireline construction. The project is designed to provide hazardous fuel reduction, forest restoration, watershed en-

hancements, and related services. The initiative is the outcome of the Front Range Roundtable, a diverse group of stakeholders that has worked together since 2003 to develop a long-term vision and roadmap for achieving comprehensive fire risk mitigation and forest health goals in the ten counties comprising Colorado's Front Range. Through intense ecological analyses, the Roundtable identified over 1.5 million acres along the Front Range in need of treatment to reduce the risks of wildfire to communities and restore forests to sound ecological health.

• The Francis Marion Biomass Removal Stewardship Project on the Francis Marion National Forest in Cordesville, South Carolina offered two multi-year contracts to treat approximately 2,000 acres per year for 5 years for a total of 10,000 acres. The primary objectives are to reduce fire hazard and improve the forest health of dense stands of young loblolly pine that established following Hurricane Hugo of 1989. The contracts have stimulated a biomass chip market that supplements the energy needs of local users for power generation. The biomass chip value offsets the cost of pre-commercial thinning and has realized a major savings for the Forest. These contracts have resulted in stand treatment costs dropping by about 50 percent. The project sprung from a collaboration of Santee Cooper Power and Electric Company, South Carolina Forestry Commission, the Native Plant Society and the South Carolina Coastal Conservation League, and several local fire departments from communities adjoining the Forest.

Many of the successes in our use of stewardship contracting are a direct result of the development and implementation of projects through collaborative partnerships with groups of diverse interests.

Open Space Strategy. In December of 2007, we announced the release of the "Forest Service Open Space Strategy." Healthy ecosystems require maintenance as well as restoration. The loss of open space threatens the sustainability of the Nation's forests and grasslands. We lose approximately 6,000 acres of open space to development or land conversion each day across the United States. Land development is outpacing population growth, especially in rural areas where the trend is low density, dispersed development. The new Forest Service strategy provides a framework for working with others to conserve open space. It emphasizes collaborative approaches and partnerships to conserve ecologically and socially important forests, grasslands, ranches, and urban green spaces. These important lands provide vital ecosystem services and benefits for society, such as clean air, abundant water, connected fish and wildlife habitat, scenic beauty, outdoor recreation, and renewable resource products.

Landscape Research. Forest Service Research and Development provides long-term research, scientific knowledge, and tools that can be used to manage, restore, and conserve forests and rangelands. Forest Service research-

based information relevant to this bill includes social science on collaborative planning that can help managers plan and carry out projects. Also, we are responsible for the Nation's Forest Census, known as the Forest Inventory and Analysis program. Research information is essential for understanding effects and management options for multiple stressors on ecosystems, such as drought, invasive species, fire, and air pollution and loss of open space. Other relevant research under way addresses how biomass utilization can help reduce fire impacts by reducing fuel loads. Additionally, there is ongoing research on costs of fire suppression and various fuels treatment that will be available for managers' use.

ECOSYSTEM SERVICES: A MORE INCLUSIVE PATH FORWARD TO OBTAINING FOREST BENEFITS

Our country and those elsewhere are becoming increasingly aware of the importance of healthy forest ecosystems as ecological life-support systems. As you know, healthy forests provide strong economies and jobs, but also yield other goods and services that are vital to human health and livelihood—natural assets we call ecosystem services. Many of these goods and services are traditionally viewed as free benefits to society, or "public goods"—wildlife habitat and diversity, watershed services, carbon storage, and scenic landscapes, for example. Recognizing forest ecosystems as natural assets with economic and social value can help promote conservation and more responsible decision-making.

The President's FY 2009 Budget reflects a commitment to the expanded thinking about ecosystem services and recognition of other values that flow from healthy ecosystems. The Budget's proposal would bring new partners together with the Forest Service in a broad effort to advance stewardship on national forest lands in landscape-scale projects that address a full range of ecosystem services. Restoring ecosystem function through projects such as hazardous fuels reduction lets local interests invest in local projects to their own benefit with an assurance of the outcomes of that investment. Here are some of the highlights of this proposal:

- The Forest Service would have the authority to implement up to five Ecosystem Services Demonstration Projects with partners to restore, enhance, or protect ecosystem functions on National Forest System lands.
- Outcomes from these projects will demonstrate the value of clean water, carbon sequestration, and other critical services that forests provide.
- The ecosystem services provided by these projects will be identified and measured through applied research, providing valuable information to potential and emerging markets.
- These projects will benefit the Forest Service and a partner, defined as either a State, political subdivision of a State, Indian tribe, or non-profit organization.

• The projects will be expanded or accelerated using the funds or services provided by a partner. Partnering entities could carry out the project for the agency, provide funds for project implementation up to a total of $10 million for all projects, or provide a combination of funds and services.

Each project will be consistent with applicable land and resource management plans and will comply with environmental laws and regulations.

All ecosystem service benefits that accrue from these projects will remain public.

S. 2593, THE FOREST LANDSCAPE RESTORATION ACT OF 2008

As does the ecosystem services proposal, S. 2593 would provide an additional tool for restoration consistent with current efforts. Projects would be created collaboratively and be part of a system that is evaluated on a landscape scale. In particular, this could be helpful for developing comprehensive management options that address issues related to climate change. I would like to now turn to the bill language.

Section 3. Definitions. We believe a definition of the term "restoration" would be useful and should focus on restoration of healthy, sustainable, productive ecosystems for the future, as opposed to a return to a historic condition. We would like to work with the Committee on the definition.

Section 4. Collaborative Forest Landscape Restoration Program. Section 4(a) would require the Secretary, in consultation with the Secretary of the Interior, to establish a program to select and fund ecological restoration treatments for priority forest landscapes. Section 4(b) sets out criteria that ecological restoration proposals under the program would be required to meet in order to be eligible for nomination. Requirements include a landscape restoration strategy that identifies and prioritizes treatments for a 10-year period across a landscape that is at least 50,000 acres, and is comprised of primarily forested National Forest System lands, but may also include other Federal, State, tribal, or private land. The restoration proposal would be required to be developed and implemented through a collaborative process. It must include an analysis that estimates the anticipated cost savings resulting from reduced wildfire management costs, and decreases the unit costs of implementing ecological restoration treatments over time. Additionally, the restoration proposal must include an estimate of the amount of new non-Federal investment that would be leveraged by Federal funding for restoration treatments, though non-Federal investments are not affirmatively required.

We support the intent of the bill to work on a landscape scale, to integrate the best available science, and to implement proposals through a collaborative process. We already use criteria to support resource allocation in priority treatment areas regarding hazardous fuels. However, we

suggest the Administration's ecosystem services proposal provides for a broader suite of actions beyond hazardous fuels alone, but are willing to work with the Committee on technical aspects of the eligibility criteria in the bill.

Section 4(c) sets out a nomination process that would require submission of proposals to Regional Foresters for consideration. As part of the nomination process, Section 4(c)(3)(B) would require the Regional Forester to obtain concurrence from the Secretary of the Interior if actions under the jurisdiction of Interior are proposed.

Section 4(d) would establish the process for selecting the collaborative forest landscape restoration proposals, which would require consultation with the Secretary of the Interior even for proposals that do not affect lands administered by the Interior Secretary. We would like to work with the Committee to modify this provision to require consultation only when lands administered by the Secretary of the Interior are part of the proposal.

Section 4(f) would establish the Collaborative Forest Restoration Fund that could be used to pay up to 50 percent of the cost for carrying out proposals for ecological restoration treatments on National Forest System lands. The bill provides for authorization of up to 40 million dollars to the Fund for each fiscal year 2008 through 2018. No more than 10 proposals could be funded during any given year, nor could more than 2 proposals be funded in any 1 region during a given year. Under section 4(f)(3) amounts appropriated from the general fund of the Treasury would be invested in interest bearing securities of the United States. The Administration objects to this provision. Amounts available for investment should be limited to funds collected from the public and not to funds appropriated from the General Fund which are not made subject to the appropriations process. We are also concerned that amounts appropriated to the Fund may result in a decrease of amounts appropriated for other high priority work and that there is no requirement for matching of non-Federal monies for projects that occur on non-Federal lands.

Section 4(g) would establish program implementation and monitoring requirements. Section 4(g)(1) would require the creation of an implementation work plan that includes a description of the landscape restoration proposal, a business plan, and documentation of the non-Federal investment in the priority landscape. Section 4(g)(4) would require the Secretary, in collaboration with the Secretary of the Interior, to use a multi-party monitoring, evaluation, and accountability process to access the ecological, social, and economic effects of each forest landscape restoration project. We are concerned that, in practice, the implementation of the bill may be administratively burdensome. Also, it is not clear when environmental analysis would be required. However, we would be happy to work with the Committee on clarifying language and to make any necessary administrative changes to the bill.

We support landscape level planning, projects implemented cooperatively, and monitoring of performance. We recommend replacing "multi-party monitoring" with "science-based monitoring". This bill would provide the opportunity to use a network of landscape level projects to conduct coordinated research on key questions, such as effects of treatments on soil, water, fire hazard, wildlife, insect and disease, and economics. A well designed system of science-based monitoring at the appropriate scale, combined with a well-designed set of landscape treatments, would provide valuable information about the effects and effectiveness of large landscape treatments over time across a number of different types of ecosystems. The results of the monitoring would improve information for managers providing a network of standard measures of effectiveness and effects of landscape restoration.

CONCLUSION

Mr. Chairman, the Forest Service is committed to working with Congress and various stakeholders to protect communities and people and to work collaboratively to restore healthy ecological conditions on lands of all ownerships that have undergone many changes. We believe that the actions we are currently taking will be enhanced by various provisions of S. 2593, particularly if combined with the provisions of our ecosystem services demonstration project legislative proposal. Together they will provide the Forest Service some important tools we need to do work to restore our Nation's forests and grasslands to a condition so they can better resist disease, insects, and catastrophic fire.

We recognize and appreciate the time spent by the Committee to develop a bipartisan constructive approach to carrying out collaborative ecosystem restoration of priority forest landscapes. We look forward to the opportunity to work with the Committee to explore the establishment of an ecosystem services authority and to make technical amendments to clarify and strengthen the bill. I will be glad to answer any questions you may have.

STATEMENT OF HENRI BISSON, DEPUTY DIRECTOR, BUREAU OF LAND MANAGEMENT

Thank you for the opportunity to testify for the Department of the Interior (DOI) on S. 2593, the Forest Landscape Restoration Act of 2008, which establishes a collaborative and science-based forest landscape restoration program that would prioritize and fund forest-based ecological restoration treatments. The DOI strongly supports landscape scale restoration efforts, and believes in the goals of landscape-level approaches to land management. While we do have concerns with the legislation, which are discussed below, we appreciate the sponsors' intent in introducing S. 2593 to manage land health on a landscape scale.

In our view, a true ecological approach to restoration begins with a collaborative evaluation of what is best for the health of the landscape and is followed by the engagement of the appropriate partners. This approach is more effective in achieving the mutual goal of improving landscape health which, in turn, improves resiliency to the risk of wildfires and invasive species and preserves key wildlife habitat. It aggregates the investments of the partners and increases the cost-effectiveness of those investments. We would like to take this opportunity to share our current efforts to improve the ecological health of lands through a landscape-scale collaborative approach.

BACKGROUND

Collaborative landscape-scale treatments continue to be the focus and priority in carrying out land management objectives on DOI-administered lands. It is important for us to look at management from a landscape perspective beyond geopolitical boundaries and isolated ecosystems. Forests, woodlands and rangelands are a mosaic where the lands, resources and communities are all interconnected. From this perspective, we see the interdependence of resources and the need to develop interdisciplinary strategies for balanced multiple-use management across the entire landscape.

Several current activities and proposed programs in the Administration's FY 2009 budget request already promote landscape-level approaches to restoring and maintaining land health that engage a number of Federal and non-Federal partners. Examples of key DOI programs include the Healthy Lands Initiative and the Wildland Fire Hazardous Fuels Reduction Program.

Healthy Lands Initiative—One challenge DOI faces is meeting land health goals that are required to integrate landscape-scale habitat restoration and resource management. Through the Healthy Lands Initiative (HLI), DOI is working collaboratively with our Federal and non-Federal partners to restore, enhance, and protect habitats through landscape-scale restoration initiatives and conservation planning, allowing us to continue to fulfill our multiple-use mandates. HLI considers the health of the land at a landscape scale instead of acre by acre.

Initiated in Fiscal Year 2007, the Department's Healthy Lands Initiative focuses on implementing landscape-scale habitat restoration and conservation projects across both public and private lands. All of the projects implemented under this Initiative promote the maintenance or restoration of healthy native plant communities with the increased ability to survive or adapt to anticipated changes in the environment in the future. The Healthy Lands Initiative represents a concept for meeting emerging challenges in managing natural resources for continued multiple use with flexible landscape-level approaches. Land restoration efforts are targeted toward priority landscapes to achieve various resource objectives, including resource

protection, rehabilitation, and biological diversity. A key component of this initiative is the partnership aspect of HLI and working closely with our neighbors to initiate and fund landscape-scale restoration work that allows for continued healthy, working landscapes. The BLM leverages appropriated funding with matching funds provided by other Federal agencies, State, local and tribal governments, philanthropic organizations, advocacy groups, and industry partners.

The 2009 Budget includes a total of $21.9 million within DOI to meet land health goals, a $14 million increase over the 2008 enacted level. BLM has the largest level of involvement in this initiative. In FY 2009, the BLM is requesting a $10.0 million increase over the FY 2008 enacted level of funding of $4.9 million, for a total of $14.9 million for HLI. An additional $8.2 million in BLM base funding also supports healthy lands. The BLM proposes to expand HLI to California as an addition to the six initial project areas located in New Mexico, Utah, Southcentral Idaho, Southwest Wyoming, Southeast Oregon-Southwest Idaho-Northern Nevada, and Western Colorado. The Colorado project area will be expanded to the northwestern part of the State in 2009.

Our approach, working with our partners to maintain healthy landscapes, sustain wildlife and maintain continued access to the public lands for multiple uses supports a landscape-level approach to natural resource management and restoration.

We would like to highlight a few of the many successes and planned efforts that illustrate our ability to conserve the diversity and productivity of the landscape through the opportunities we have in HLI.

• The Colorado Landscape Conservation Initiative encompasses 20.5 million acres of mixed ownership, including roughly 4 million acres managed by the BLM. This area provides quality habitat for diverse wildlife populations, including seven of the eight remaining populations of Gunnison sage-grouse, as well as numerous special status species. The BLM, National Park Service, U.S. Fish and Wildlife Service, Forest Service, Natural Resources Conservation Service, Colorado Division of Wildlife and private partners are working together to restore, enhance, and protect habitats through conservation planning efforts and partnerships. To enhance existing resources and restore conditions, BLM Colorado's planned actions include implementing habitat treatment projects, implementing effective weed management efforts, expanding the native seed program, pursuing conservation easements, and monitoring treatment effectiveness. This year BLM is spending close to $400,000 to treat 560 acres of wetlands, 12 miles of stream, 3,060 acres of shrub, grass, woodland, and 10 riparian projects. In the Fiscal Year 2009 President's Budget request, the BLM is requesting almost $2 million to treat 1,380 acres of wetlands, 14 miles of stream, 3,110 acres of

forest, shrub, grass, woodland, 1,380 acres of weeds, and 27 riparian projects

• In New Mexico, the BLM is working closely with private, state, and other Federal partners to restore desert grasslands that are being supplanted with invasive mesquite. Removing the mesquite from these landscapes reduces habitat fragmentation for important species such as the Lesser Prairie Chicken and Aplomado Falcon and improves the overall natural biodiversity of desert grasslands. The BLM treated 40,000 acres in Fiscal Year 2007, is planning to treat 48,730 acres in Fiscal Year 2008, and is requesting almost $3.5 million to treat 132,320 acres in Fiscal Year 2009. Additional non-BLM acreage is being treated using other contributed funds.

BLM also engages in comprehensive land health treatments through other base activities. For instance:

• The BLM plans institutionalization of landscape level land health treatments that characterize HLI. In Montana, the BLM is addressing landscape-scale restoration on a 600,000 acre watershed in the southwest part of the state. A recent forest health assessment on a 32,000 acre area, known as the south Tobacco Roots watershed, found that altered forest structure, density and species composition in the mid-elevation forests, of which both Forest Service and BLM are major land managers, is putting these forests at high risk to insect epidemic and catastrophic wildfire. The agencies have been working collaboratively with private landowners, conservation groups, and the Montana Department of Natural Resources and Conservation to begin restoration across the watershed. The DOI planned actions are 4,000 acres of forest restoration sales followed by prescribed burn and 1,600 acres of juniper treatment by prescribed burn. These treatments across the entire watershed will restore the health, resiliency and productivity of the entire watershed and continue to provide high quality habitat, as well as a high quality place to live and work for the people who live here.

National Fire Plan/Healthy Forests Initiative/Healthy Forests Restoration Act—Two major challenges facing DOI are addressing ecosystem health and the accumulation of flammable fuels on Federal lands, a major cause of fire risk. Multiple factors contribute to wildfire, which include weather, fuel type, terrain, location with respect to the wildland urban interface, and other highly valued landscapes, and managerial decisions made before and during fire incidents. As we have noted in past testimony before this Committee, we are seeing changing temperature and prolonged drought across many portions of the West and Southwest and an expansion of the wildland urban interface and an increase in the number of people living there. Fifty-seven million people now reside within 25 miles of BLM lands, and BLM lands host approximately 58 million recreation visits annually.

As current trends indicate wildfire seasons may be lasting longer and the burned areas are becoming large. Con-

tinued accumulation of wood fiber, and substantial increases in highly flammable invasive species, are converging to increase the risk of catastrophic loss from wildland fires. The DOI, along with the Forest Service and other partners, is addressing cost containment measures to reduce suppression costs. We are also working hard in developing a cohesive approach among Federal partners, local governments, private organizations and citizens to reduce hazardous fuels and restore and maintain forest, woodland and rangeland health. This is being achieved through various initiatives such as the National Fire Plan (NFP), the Healthy Forests Initiative (HFI), and implementation of the Healthy Forests Restoration Act of 2003 (HFRA). To date, we have made considerable progress.

Since 2001, the DOI has worked aggressively to reduce the amount of hazardous fuels on Federal lands and restore the health of our public forests, woodlands and rangelands, utilizing the authorities provided under the HFI and the HFRA. Of the 258 million acres administered by the BLM, 69 million acres are forests and woodlands located in the 11 western states. HFI and HFRA have provided the BLM with tools to ensure sound management practices and to implement hazardous fuels reduction projects and stewardship contracting.

The BLM's hazardous fuels reduction and forests, woodlands and rangelands rehabilitation activities have also been guided by the National Fire Plan (NFP). The goals are to reduce fuels (combustible forest materials) in forests, woodlands, and rangelands at risk, rehabilitate and restore fire-damaged ecosystems, and work with local residents to reduce fire risk and improve fire protection. The NFP is being successfully implemented under the leadership of an interagency and intergovernmental group of Federal, state and local agencies working cooperatively to reduce wildfire risk and restore fire-adapted ecosystems. Investments made to restore land health today can have a profound impact on the resiliency of the treated acres to catastrophic and expensive wildfires in the future. Many treatments, such as thinning in forests and woodlands have an additional benefit of improving watershed conditions, wildlife habitat, and species diversity. Overall, the DOI has applied nearly 8 million acres of hazardous fuels reduction treatments to forests, woodlands, and rangelands on the public lands since 2001, using the tools of prescribed burns, and chemical and mechanical fuels treatments, as well as restored 1.4 million acres through other landscape restoration activities.

The 2009 President's budget proposes $850 million to support fire preparedness, suppression, fuels reduction, and burned area rehabilitation needs for the DOI. This is a $42 million increase over the 2008 enacted level (excluding supplementals). The DOI continues to support the Healthy Forests Initiative. The budget proposes $202 million for hazardous fuels reduction program. These funds will support more high priority fuels treatment projects.

Putting forth the effort to cooperatively reduce wildfire risk and restore fire-adapted ecosystems now will lead to reduced fire impacts and costs in the future.

S. 2593

The legislation calls for the Secretary of Agriculture, in consultation with the Secretary of the Interior, to establish a collaborative Forest Landscape Restoration Program to select and fund ecological restoration treatments for priority forest landscapes.

Section 4(b) discusses eligibility criteria for collaborative forest landscape restoration proposal nominations. One criterion is for the proposals to be comprised primarily of forested National Forest System land, but may also include other Federal, State, tribal, or private land.

Section 4(c) describes the nomination process, requiring the Regional Forester to nominate collaborative forest landscape restoration proposals for selection by the Secretary of Agriculture.

Section 4(f) establishes a fund for the cost of carrying out ecological restoration treatments on National Forest System land, allowing the Secretary of Agriculture to use the fund to treat National Forest System lands for each collaborative forest landscape restoration proposal selected. It is unclear if the fund can be used to treat lands outside of the National Forest System that comprise a portion of a selected restoration project. The section also authorizes to be appropriated $40 million for each of fiscal years 2008–2018, to remain available until expended, and it allows interest to be credited to the fund.

Section 4(g) states the Secretary of Agriculture shall, in collaboration with the Secretary of the Interior and interested stakeholders, use a multiparty monitoring, evaluation, and accountability process for not less than 15 years after project implementation commences. The bill also requires the Secretary of the Interior, as a collaborator with the Secretary of Agriculture, to report on accomplishments for collaborative forest landscape projects carried out under the authorities of this legislation.

As previously stated, we support landscape level approaches to land health. The legislation would provide the Secretary with an additional tool for restoration treatments for priority forest landscapes on public lands. As noted above, however, the Department, through the Wildland Fire Hazardous Fuels Reduction Program and the Healthy Lands Initiative, and the U.S. Forest Service already engage in activities proposed to be included in the bill. Moreover, the FY 2009 budget proposes Ecosystems Services Demonstration Projects in the Forest Service, described in greater detail in the Forest Service's testimony today.

Of particular concern to the Administration is the creation of the Collaborative Forest Landscape Restoration Fund. The bill requires the Fund provide up to fifty percent of the cost of carrying out ecological restoration. It is

not clear what mechanism would require Federal agencies to seek partner funding from non-Federal sources. Leveraging Federal funds with non-Federal funds is a vital element to successfully undertaking landscape level restoration projects as it facilitates collaboration and commitment by our non-Federal partners. Under section 4(f)(3) amounts appropriated from the general fund of the Treasury would be invested in interest bearing securities of the United States. The Administration objects to this provision. Amounts available for investment should be limited to funds collected from the public and not to funds appropriated from the General Fund which are not made subject to the appropriations process. We also have concerns that implementation of the bill may be administratively burdensome.

Finally, we are committed to working with the Committee and the legislation's sponsor to ensure that any legislation effectively considers the health and restoration of forests, woodlands, and rangelands.

CONCLUSION

Landscape-scale restoration continues to be a high priority for DOI. In collaboration with our partners, we have made considerable strides in restoring thousands of acres of Federal lands along with state and privately-owned lands under the jurisdiction of our partners. The DOI will continue to work towards achieving priorities in an effort to make significant improvements in the health and productivity of the public forests, woodlands and rangelands at the landscape level. We look forward to working with the Committee on S. 2593. Thank you for the opportunity to testify, I will be happy to answer any questions.

CHANGES IN EXISTING LAW

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, the Committee notes that no changes in existing law are made by the bill S. 2593 as ordered reported.

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