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FOREST SERVICE BUDGET

HEARING

BEFORE THE

COMMITTEE ON ENERGY AND NATURAL RESOURCES UNITED STATES SENATE

ONE HUNDRED ELEVENTH CONGRESS

SECOND SESSION

TO

CONSIDER THE PRESIDENT'S PROPOSED BUDGET FOR FISCAL YEAR 2011 FOR THE FOREST SERVICE

FEBRUARY 24, 2010

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FOREST SERVICE BUDGET

WEDNESDAY, FEBRUARY 24, 2010

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

The committee met, pursuant to notice, at 10:34 a.m. in room SD–366, Dirksen Senate Office Building, Hon. Jeff Bingaman, chairman, presiding.

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

The CHAIRMAN. I guess we should go ahead and start.

I'm informed that Senator Murkowski will be here in a few minutes, but had to have some conversations on the floor before coming back to the—coming to the hearing.

So, let me make a short statement, and then I'll call on Chief Tidwell to give his statement, and then we'll interrupt things for Senator Murkowski's statement when she arrives.

This hearing is to consider the President's proposal for the Forest Service's fiscal year 2011 budget.

First, we'd like to welcome Chief Tidwell back to the committee. Appreciate his willingness to testify today, and apologize for the delay that's caused by the Senate's votes.

Keeping in mind that the budget's tight and that this proposal includes an overall decrease in the Forest Service budget, in other respects I believe this is a strong proposal, and there is much to like about what is proposed. It includes significant improvements in funding for wildfire activities; a significant proposal to integrate funding to focus on forest and watershed restoration; a new Priority Watersheds and Job Stabilization Initiative. I also commend the administration for its proposal to fully fund the Forest Landscape Restoration Act, and for its interest in an open dialog with members of this committee to further develop the new proposals that are included in the budget.

I will have several question after we hear from Chief Tidwell, but why don't you go right ahead.

STATEMENT OF TOM TIDWELL, CHIEF, FOREST SERVICE, DEPARTMENT OF AGRICULTURE

Mr. TIDWELL. Mr. Chairman, thank you.

Today, with me, I have Kathleen Atkinson, our budget director with me, that—if we need to get into some of the budget details, she's here to assist with that.

Mr. Chairman, you know, it's a privilege to be here today to discuss the President's budget for the Forest Service. You know, I appreciate the support this committee has shown the Forest Service in the past, and I look forward to working with the committee to provide more of the things that Americans need and want from their Nation's forests and grasslands.

The President's budget request is designed to support the administration's priorities, Secretary Vilsack's priorities, for maintaining and increasing the resiliency of America's forests. The budget supports these priorities through five key objectives:

The first one, is to restore and sustain the forest and grasslands by increasing collaborative efforts to build support for the restoration activities that we need to accomplish on the landscape. The budget requests full funding, $40 million, for the collaborative Forest Landscape Restoration Fund. It also proposes an integrated resource restoration budget line item, that would really help us—will facilitate taking integrated approach to developing project proposals that will optimize multiple benefits.

Second, it increases the emphasis on protecting and enhancing water resources and watershed health, with a request of $50 million for a new Priority Watershed and Job Stabilization Initiative. This would be a pilot program, where we would fund large-scale projects that focus on watershed restoration and job creation, and will be developed in a collaborative manner. We would use the Statewide assessments, where available, and our own watershed assessments, look at the number of jobs that would be created and the opportunity for biomass utilization as some of the selection criteria for this pilot program.

The third objective is that we will manage landscapes to be more resilient to the stresses of climate change. We'll do that by applying the science that's developed by Forest Service research to increase the adaptive capacity of ecosystems. We'll also use that science to determine how our management needs to change to be able to increase the ecosystem's resistance to the increasing frequency of disturbance events, like fire, insect and disease outbreaks, invasives, flood, and drought.

The fourth key objective is, this budget request provides for full funding for wildland fire suppression, and that includes a preparedness level to continue our success to be able to suppress 98 percent of wildland fires during initial attack. It also proposes a realignment of preparedness and suppression funds that more accurately display the true costs of our preparedness. It provides for a FLAME fund to increase the accountability and transparency for the cost of large fires. It also provides for a contingency reserve fund that will significantly reduce the need to transfer funds from critical—from other critical programs to fund fire suppression if we do have a very large, active fire season. Then it also increases the emphasis of hazardous field projects to reduce the threat of wildfire to homes and communities by doing more this work in the wildland-urban interface.

The last key objective is to focus on creating jobs and increasing economic opportunities in rural communities. We will do this with our proposed Priority Watershed and Job Initiative, doing more of our work through stewardship contracting, building off the Amer-

ican Recovery and Reinvestment Act projects that encourage biomass utilization; continue to work with the States to use our State and private forestry programs to address conservation across all lands; and through job development with our 28 job corps centers, and our partnership with the Department of Labor, and our partnership with Youth Conservation Corps across this country.

Our goal is to increase the collaborative efforts to build support for science-based landscape-scale conservation, taking an all-lands approach to conservation to build a restoration economy which will provide jobs and economic opportunity for communities across this Nation.

Again, thank you for the opportunity to address the committee, and I look forward answering your questions.

[The prepared statement of Mr. Tidwell follows:]

PREPARED STATEMENT OF TOM TIDWELL, CHIEF, FOREST SERVICE, DEPARTMENT OF AGRICULTURE

Mr. Chairman and members of the committee, it is a privilege to be here today to discuss the President's Budget request for the Forest Service in fiscal year (FY) 2011. I appreciate the support this committee has shown the Forest Service in the past, and I look forward to collaborating in the future to provide more of the things the American people want and need from our Nation's forests and grasslands. I am confident that this budget will enable the Forest Service to do just that.

Our Nation's forests and grasslands, both public and private, are social, economic, and environmental assets. They provide many ecosystem services on which society relies, including clean water, scenic beauty, outdoor recreation, fish and wildlife habitat, natural resource jobs, forest products, renewable energy, carbon sequestration, and more. In pursuit of these and other services, the Forest Service manages 193 million acres on 155 national forests and 20 grasslands. In addition, to help improve stewardship of lands outside the National Forest System, the agency partners with and provides technical assistance to a range of other Federal agencies as well as State, local, and Tribal governments, private landowners, and nonprofit organizations. The agency also engages in cutting-edge research on climate change, wildfires, forest pests and diseases, ecological restoration, and a range of other conservation issues.

The Budget reflects the President's priorities and Secretary of Agriculture Tom Vilsack's vision for restoring and enhancing the resilience and productivity of America's forests. In accordance with our mission of sustaining the health, diversity, and productivity of the nation's forests and grasslands, the Forest Service is taking an all-lands approach, working across boundaries and ownerships to address the critical issues facing our Nation's forest and grassland ecosystems on a landscape scale. Further, the budget proposes to integrate Forest Service programs in a new way that will better position the agency to tackle long-standing and urgent forest health, wildlife, forest restoration, and community vitality needs.

The President's Budget request for the Forest Service for FY11 totals $5.38 billion in discretionary appropriations, a $61 million increase over the FY10 enacted level. The Budget reflects a new and significant shift in the way the agency will address forest management on National Forest System (NFS) lands. The President's Budget focuses Forest Service resources to support more watershed and ecosystem improvement efforts based upon a variety of management actions, including mechanical removal of timber, road decommissioning, and wildlife habitat improvement. The Budget adopts an ecosystem-based approach to forest management that focuses on enhancing forest and watershed resiliency, preventing the loss of large carbon sinks, and maintaining jobs. To address the need to protect forest resources and wildlife habitat in an era of global climate change, the Budget establishes a pilot program for long-term, landscape scale restoration activities that emphasize resiliency, health, and sustainable economic development.

Ecological Restoration

In FY 2011, the Forest Service will work to meet the challenge of restoring healthy, resilient ecosystems capable of delivering the ecosystem services that Americans depend upon, especially clean and abundant water. The Administration proposes restructuring the Forest Service budget as a key step that will allow us

to focus more on high priority restoration work. The new budget line item, Integrated Resource Restoration, will combine the Forest Products, Vegetation and Watershed Management, and Wildlife and Fisheries Management budget line items. The FY 2011 budget proposes $694 million for Integrated Resource Restoration work under this line item.

We believe this new line item better reflects much of the current work we do and, even more importantly, better forecasts the future direction we need to take to achieve ecological restoration work. The agency will integrate traditional timber activities predominately within the context of larger restoration objectives, focusing on priority watersheds in most need of stewardship and restoration work, pursuing forest products when they support watershed, wildlife, and restoration goals. We will also greatly expand the use of the stewardship contracting authority to meet restoration objectives and build in longer-term contracting certainty for communities and the private sector to invest in the kind of forest restoration infrastructure we will need to achieve these objectives.

The new budget line item consists of three activities: $604 million for Restoration and Management of Ecosystems, $40 million for the Collaborative Forest Landscape Restoration Act (CFLRA), and $50 million for Priority Watersheds and Job Stabilization. Projects under the second two will be selected through a national competitive process and are discussed below. The $604 million for Restoration and Management of Ecosystems will be allocated in part based on the number of smaller watersheds (6th level hydrological unit codes, which average 10,000 acres) in critical need of restoration, while a substantial portion of the funds will be used to fund restoration activities across the National Forest System. This will allow National Forests to focus local projects on improving watershed condition while continuing to carryout critical, ongoing ecological restoration work. While we have not worked out the specifics for allocating these funds, I am convinced that this multi-pronged approach will improve our ability to achieve restoration and watershed improvement at various scales—from landscape level work under the nationally selected projects under CFLRA and the Priority Watersheds initiatives to work within individual NFS watersheds in need of critical restoration—while allowing the Forest Service to place greater focus on improving watersheds without forgoing critical ongoing restoration efforts. We look forward to working with the committee as we explore the best way to allocate these funds.

Collaborative Forest Landscape Restoration Fund

The FY11 President's Budget requests $40 million to fund ecosystem restoration under the Forest Landscape Restoration Act of 2009, the maximum amount authorized under the Act. Restoration treatments will focus on reducing the risk of catastrophic wildfire, improving watershed conditions, and building resilience to climate change on large landscapes greater than 50,000 acres. Through the Collaborative Forest Landscape Restoration Program, the Forest Service will use federal funding to leverage local resources, engaging partners in collaborative restoration efforts on a landscape scale. Potential projects will be developed and proposed through multi-stakeholder collaborative planning, and will be selected by the Secretary of Agriculture, as advised by a Federal Advisory Committee. Proposals must have a substantially complete restoration strategy, be primarily composed of National Forest System land, and be on lands accessible by wood-processing infrastructure. The $50 million priority watersheds initiative and the CFLRF will provide perfect complement to each other within the Integrated Resource Restoration line item, enabling the agency to target management to the diversity of landscape, forest, and community needs. In FY11, the Forest Service would fund 10 projects at $4 million each through CFLRF. No more than two proposals will be selected for funding in any one Region of the NFS.

Priority Watersheds and Job Stabilization

Perhaps the most important service that Americans get from wildland ecosystems has to do with a basic human need: water. Nearly 53 percent of the Nation's freshwater supply originates on public and private forest lands, and more than 200 million people rely for their daily drinking water on forests and grasslands. Watersheds in good health provide good water quality, and watersheds that deliver plentiful supplies of pure, clean water also deliver a full range of other services that people need-soil protection, carbon storage, wildlife habitat, opportunities for outdoor recreation, and more.

In FY 2011, the Forest Service proposes to invest $50 million under the new Integrated Resource Restoration program in Priority Watersheds and Job Stabilization. Under this initiative, the agency will assess the health of all of its watersheds, carry out forest restoration in national priority watersheds, and then focus on job creation

by utilizing stewardship contracts and putting youth to work in rural areas. This initiative complements the work to be accomplished under the Collaborative Forest Landscape Restoration Fund (CFLRF). These watersheds will be identified and prioritized using State Forest Assessments, watershed conditions, costs and input from local communities. Projects will be selected in areas greater than 10,000 acres. Through this process, the Forest Service will work collaboratively to maintain or improve water quality and watershed function, improve habitat for fish and wildlife, and create local jobs in forest-based communities.

Attached to the end of this statement is a list of the 12 indicators that we plan on using to assess the health of our watersheds under this initiative. Fire regime condition class and percent vegetative cover are two examples. These Watershed Condition Indicators are diagnostic indicators of the health and trend of various biological, chemical, and physical components of aquatic systems and associated terrestrial uplands. The indicators represent the processes or mechanisms by which management actions can potentially affect watersheds, the species which inhabit them, and their riparian functions and ecological processes.

This initiative will yield the following results by the end of FY 2011.

- Funding for projects that will improve the watershed condition class of approximately 100 NFS watersheds that are important to the public.
- Approximately 20 ten-year stewardship contracts offered in targeted areas around the Country that would provide a steady supply of forest products.
- Over 1,000 jobs created, including a focus on jobs for youth in rural areas.
- A map depicting the condition of the National Forest System's approximately 12,000 highest priority watersheds at the start of FY 2011.
- A map depicting the locations and approximate quantities of the biomass that NFS intends to make available over the next ten years.
- Experience with an alternative to litigation through the piloting of a new Appeals process.

Responding to Climate Change

Broad scientific consensus confirms that global climate change is real and that the impacts are altering forests and grasslands, increasing the frequency of disturbance events and diminishing the ecosystem services they provide. Some of the most urgent forest and grassland management problems of the past 20 years-wildfires, changing water regimes, and expanding forest insect infestations-have been driven, in part, by a changing climate; future impacts are likely to be even more severe.[1] Because America's forests and grasslands are vital to our nation, the Forest Service program of work in FY11 will focus on making ecosystems more resistant to climate-related stresses and more resilient to changing conditions. Helping ecosystems adapt to both current and future climates will ensure that they continue to provide the ecosystem services that Americans want and need, including sequestration of the heat-trapping gases that are the main cause of global warming.

The President's Budget will go a long way in supporting and reinforcing the importance of managing forests and grasslands to respond and adapt to changing climate. Our new Integrated Resource Restoration line item is built partially around the notion that we need to adapt to climate change and will provide an outlet for implementation of forest level climate action plans. Further, I'd like to draw your attention to a very small but significant $2 million investment in Urban and Community forests that will result in significant and direct climate benefits by planting trees in the right places in our communities to help sequester carbon and reduce heating and cooling costs. This cost-share program will make use of a prioritization system to maximize the tons of carbon removed from the atmosphere per federal dollar spent.

Fuels and Forest Health Treatments

During the average fire season from 2000 to 2009, about 1.3 million acres under Forest Service protection have burned. Communities expanding into the wildland/urban interface (WUI) are compounding the challenges of suppressing wildfire and highlighting the need to focus treatments in the WUI. The Forest Service has a major role to play in reducing the threat of wildfire to homes and communities by reducing hazardous fuels and restoring forest and grassland health.

In FY11, the Forest Service will direct $349 million to reducing hazardous fuels, treating 1.6 million acres in the WUI. The agency will focus areas for treatment in

[1] Backlund, P.; Janetos, A; Schimel, D., lead authors. 2008. The effects of climate change on agriculture, land resources, water resources, and biodiversity in the United States. Final report, synthesis and assessment product 4.3 A report by the U.S. Climate Change Science Program and the Subcommittee on Global Change Research, Washington, DC. 342 p.

partnership with communities using their community wildfire protection plans (CWPP), resulting in a doubling of the acres to be treated in areas identified in CWPPs over what is planned for FY 2010. This intense focus on the WUI is part of the initiative to responsibly budget for fires. Fires in the interface present the greatest risk to communities and firefighters, are the most expensive, and are the most complex to suppress. By treating high-priority areas in the WUI, the Forest Service will reduce the threat of large wildfires and increase the effectiveness of suppression actions, thereby protecting communities, reducing risks to firefighters and the public, and lowering the costs of large wildfires.

Fire Suppression and Preparedness

The FY11 President's Budget request continues to reflect the Presidential urgency to responsibly budget for wildfire. It provides $2.4 billion for managing wildland fire, including a more accurate accounting of preparedness costs while continuing full funding of the 10-year average for suppression costs. To enhance accountability for fire suppression, the budget proposes managing fire suppression by establishing three separate accounts. All fire suppression costs would be paid out of the fire suppression account, initially funded at $595 million. This level would cover the costs of initial and smaller extended attack operations consistent with our target of maintaining a 98 percent success rate. In addition, the budget requests $291 million for the FLAME account. Funds from this account would be available for larger, more complex fires that escape initial attack. The budget outlines a new approach to risk management and fire spending accountability, including the process for FLAME funds availability, requiring a formal risk decision by the Secretary of Agriculture before funds can be transferred from FLAME into the suppression account.

In addition to fully covering the anticipated suppression costs, $282 million is proposed for a Presidential Wildland Fire Contingency Reserve. These funds would be available if the Nation experiences an exceptional fire season and the Forest Service anticipates exhausting the amounts appropriated for both the suppression and FLAME funds. The Presidential Contingency account reduces the risk that the Forest Service would need to borrow from other programs to pay for the costs of fire suppression. In such an event, increased accountability for fire spending requires a Presidential Declaration certifying the Forest Service is operating in an effective and accountable manner with all funds previously released before Contingency Funds would be made available. The FLAME and Presidential Contingency accounts complement each other in providing a higher level of accountability for fire spending and reducing the risk that funds will need to be transferred from other mission critical programs to support the costs of fire suppression.

I would like to thank the members of this committee and their colleagues for the work they put in this past year in crafting and passing legislation for the FLAME Wildfire Suppression Reserve Fund for the Forest Service. In the past, large fire seasons have resulted in funding transfers from other Forest Service accounts to the detriment of critical Forest Service work. Funding of the FLAME Wildfire Suppression Reserve Fund and the Presidential Wildland Fire Contingency Reserve in the FY11 budget will enable critical Forest Service activities to proceed, including fuels and forest health treatments in the wildland-urban interface (WUI).

The FY11 budget also contains a significant change by realigning Preparedness and Suppression funding, shifting readiness costs from the Suppression account into Preparedness. This structure provides better transparency by realigning costs that were shifted into the Suppression account beginning in FY 2005. Consistent with congressional direction, these program readiness costs have been moved back into the Preparedness with no net change in resource availability from FY10. In sum, the President's Budget will promote safe, effective, and accountable outcomes from investments made in managing fire on a landscape scale.

Thriving Rural Communities

The Secretary's vision for 2010 and beyond calls for building a forest restoration economy that generates green jobs and rural prosperity. In FY11, the Forest Service will continue to develop new ways of bringing jobs and economic activity to rural communities. The agency will build on 2 years of funding and project success under the American Recovery and Reinvestment Act (ARRA) of 2009. ARRA projects bring jobs and economic stimulus to areas hit hardest by the national recession, including many forest-based communities. For example, the ARRA-funded Huron Fuels Reduction project in northeastern Michigan has brought $3.9 million to an area hit hard by the economic recession, and created over 50 jobs on fuels reduction crews for unemployed or underemployed members of the local communities. Many ARRA projects address high-priority forestry needs, such as fuels and forest health treatments and biomass utilization. Our involvement has helped to stimulate collabo-

rative efforts related to restoration, climate change, fire and fuels, and landscape-scale conservation.

The Forest Service will also play an important role in providing expertise to landowners in forest-based communities to help sustain the economic viability of forest stewardship. In addition, an increased focus on restoration, particularly in priority watersheds, will lead to the creation of more jobs in forest-based communities to carry out this high-priority work.

Conclusion

The President's Budget request for FY 2011 addresses the stresses and disturbances, partly caused by climate change, that pose challenges to the health of America's forests and grasslands. We will respond with treatments to priority watersheds identified in a science-based approach and restore their health to enhance their capacity in delivering ecosystem services that Americans want and need. Our restoration treatments will be on a landscape scale, taking an all-lands approach looking across landownership boundaries to solve problems to conservation based on collaboration with State, Tribal, local, private, and other Federal stakeholders to achieve mutual goals. The Forest Service stands ready, working in tandem with other USDA agencies through this budget, to bring health to our forests and enhance the economic vitality of communities. The budget request does not include any funding for any new road construction, allowing us to focus on maintaining existing high-clearance and closed roads. We are using the Travel Management Planning process to guide our efforts in right-sizing the Agency's road system. The President's Budget for the USDA Forest Service also contains funding for many other important items, such $50 million for the Legacy Roads program to help improve water quality and stream conditions, and an increase in the recreation budget that will help rural economies while creating opportunities to reconnect people to forest lands. I look forward to sharing more with you about the budget and working with you to see many of those budget proposals take shape.

Thank you for your time, and I look forward to answering your questions.

Attachment 1: 12 Core Watershed Condition Indicators

AQUATIC PHYSICAL INDICATORS	
1. Water Quality Condition	This indicator addresses the expressed alteration of physical, biological, or chemical impacts to water quality.
2. Water Quantity (Flow regime) Condition	This indicator addresses changes to the natural flow regime with respect to the magnitude, duration, or timing of natural streamflows hydrograph.
3. Stream and Habitat Condition	This indicator addresses stream channel and aquatic habitat condition with respect to habitat fragmentation, aquatic organism passage, wood, streambank stability, channel geometry, and floodplain connectivity.
AQUATIC BIOLOGICAL INDICATORS	
4. Aquatic Biota Condition	This indicator addresses the distribution, structure, and density of native and introduced aquatic fauna.
5. Riparian Vegetation Condition	This indicator addresses the proper functioning condition of riparian vegetation along streams and water bodies.
TERRESTRIAL PHYSICAL INDICATORS	
6. Road and Trail Condition	This indicator addresses the altered hydrologic and sediment regime changes due to the density, location, distribution, and maintenance of the road network.
7. Soil Condition	This indicator addresses alteration to natural soil condition, including erosion, nutrients, productivity, and physical, chemical, and biological characteristics.
TERRESTRIAL BIOLOGICAL INDICATORS	
8. Fire Effects and Regime Condition	This indicator addresses the potential for altered hydrologic and sediment regimes due to vegetation departures from historical ranges of variability.
9. Forest Cover Condition	This indicator addresses the presence/absence of forest cover on lands classified as forest lands and the need to reestablish or restore forest cover.
10 .Rangeland, Grassland, and Open Area Condition	This indicator addresses the vegetative condition of rangelands, grasslands, and open areas.
11. Terrestrial Non-native Invasive Species Condition	This indicator addresses potential impacts to soil and water resources due to terrestrial non-native invasive species.
12. Forest Health Condition	This indicator addresses the condition of forest mortality due to major insects and diseases outbreaks and air pollution.

The CHAIRMAN. Thank you very much.
Senator MURKOWSKI.

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

Senator MURKOWSKI. Thank you, Mr. Chairman.

I apologize that I wasn't here when you opened. I want to thank you for scheduling the hearing.

I want to welcome you, Chief Tidwell. Appreciate your comments here. I also want to thank you, and thank your Deputy Under Secretary, Mr. Jensen, for the efforts that you have made to help the mill in Ketchikan have a chance to test some of the theories on

how we can best convert to second-growth forest-products economy there in the Tongass National Forest.

Having said that, I think it is absolutely vital—absolutely vital that you and the Department understand that I am not convinced that the transition can occur in a single year. In fact, I suspect that this transition, in order to be complete, is going to take several decades. In the meantime, you and I must ensure that the remaining forest products industry in southeast Alaska survives to enjoy this transition. We simply cannot afford to spend 3 to 10 years studying how we make the transition. We need to make immediate—immediate traditional timber sales, as well as the second-growth sales, to support the few remaining operations. We need them now. We need them this spring.

While I appreciate what you and the Deputy Under Secretary have committed to getting done, we need to make some real progress. The agency needs to make real progress. I don't have time, and I don't think you have time, to wait for the Tongass roundtable to come to consensus on how we manage the Tongas National Forest. You've got a forest plan that has been sanctioned by the courts, and it's time that you direct your regional forester, your forest supervisor, to really get it implemented. Let's get it done.

While we're going through this whole budget proposal that we have in place, we've got yet another forest products company that faces having to auction off its equipment just to pay the bill on a month-to-month basis.

So, I want to make sure that you understand that if you allow the few remaining mills in Alaska to die off, there will be no timber program on the Tongass. When that occurs, in my mind, there's less need for the Forest Service offices there in Alaska. If we don't have a timber program, why do we need the offices?

I also want to mention a couple of other issues, and I will utilize the question period to raise some other concerns. I need to know from you whether the Forest Service and the Department intend to honor the court settlement on roadless lands on the Tongass, which is memorialized in the Tongass land management plan, or whether you attempt—you intend attempt to wrap the Tongass back into some larger national roadless area rule.

Part of the agency's budget request is a proposal to do away with the forest products funding that support the commercial timber sale program. In briefings, both the Deputy Under Secretary and your staff indicated that only those sales that generated a net positive return against the cost of planning, preparing, and selling the commercial timber sales would be funded in the budget. We were told that commercial-sized timber would be offered through the stewardship contracting efforts, which you've mentioned. I suspect you've been directed to stop preparing what were classically called "below-cost timber sales."

But, I am puzzled that the chief of an agency who has but only one program—and that's the ski area management—that returns a positive net return to the Treasury, would go down the path of requiring an above-cost criterion on any program. I think the agency's opening the door for Congress to demand that all the Forest Service programs be above cost, which would virtually abolish the

agency. For that matter, you and I know that there's never been—there's never been an above-cost stewardship contract. So, even if this criterion is not applied, I'm at loss to understand how you could possibly undertake a stewardship contract, when your budget request eliminates all funding for the necessary new road construction or road improvements.

Having said all that, you certainly have my empathy, Chief Tidwell, for having to be the person to have to come before the committee to defend your budget and the proposals that are contained in it. I hope that you will communicate back to the Department, to the Office of Management and Budget, how disappointed I am. I truly wish you the best of luck in managing the Forest Service through these very trying times. I thank you for your willingness to work with us, but I think you hear the concern in my words this morning.

With that, Mr. Chairman, I thank you for the time.

The CHAIRMAN. Thank you.

Let me ask a few questions and then defer to Senator Murkowski for some of her questions.

You make reference, in your testimony, to the FLAME fund, this reserve fund that was recently passed in legislation. But, there's some confusion on my part about the budget. It seems to ignore half of the purpose that we set out in the legislation; instead, it proposes to create a duplicative reserve fund in place of the FLAME reserve fund. Am I just confused on that, or how do you see that? What are you proposing in your budget as it relates to the legislation we passed?

Mr. TIDWELL. Senator, first of all I want to thank you and the committee for your support to get the FLAME legislation passed. It—I think it did—it brought attention to this issue, to help get it resolved, and that's where we are with the—our 2010 budget. So, I want to thank you for that effort.

With our budget, fire suppression, we have—there's 3, kind of, suppression accounts. The first one is our suppression account that we're going to be using for initial attack in our small fires. These are generally less than, say, 300 acres. That's the—our initial-attack fire-suppression budget proposal.

Then, when we have a large fire—and these are the fires that usually we have to bring in the overhead team, a Type 1 or a Type 2 overhead team—larger fires. We want to use the FLAME account to be able to fund those large fires. Before we would transfer funds from the FLAME account into this suppression—this initial-attack suppression account, we would develop a risk assessment that would show that we're using best science, the best information, the best expertise we have about the strategies we're going to use, and then to be able to use that to ensure that there is adequate level of accountability, oversight, and transparency with the cost of these large fires. So, it will be very clear to be able to see what the costs of our large fires are, because you would be able to see that as we transfer funds from the FLAME account.

If we have a moderate fire season, that'll work fine. But, if we get the situation where we've had in the past, where we could have a very active fire season, where the suppression costs would go beyond what we have in these two suppression accounts, the contin-

gency reserve is there so that we can request those funds through—from the President, to be able to transfer those. It will almost assure we will not have to transfer funds from other program areas.

I can—you know, I've—once again, I appreciate the work on the FLAME Act. I can tell you that one of the most disruptive things that's been going on with the agency and with our communities and our partners over the last years is that, when August comes along and we have to move money from our other programs to pay for fire suppression, and not only is there the disruption for the current year, but, come August and September, that's when our folks are also beginning to plan for the next year. We probably didn't do the best job to really display the true consequences of what was happening. But, this contingency reserve will guarantee that we won't have to do that.

So, that's how the—kind of, the 3 parts of our suppression budget will work.

The CHAIRMAN. Let me ask about another issue. I think there are advisory committees that are called for in the Forest Landscape Restoration Act. I think there's a advisory committee there. Also, in connection with Secure Rural Schools program, there are advisory committees. As far as I'm aware, we don't have much effort or much forward progress in appointing members to those committees. Could you just give us a little bit of a status report on whether that's happening, or on what timeframe?

Mr. TIDWELL. With the Secure Rural Schools committees, we are making, I think, good progress, in that we have enough members, in several of the regions, that those committees can move forward. There's still a couple—we have a couple in Oregon, a couple California we're still working forward with. But, I expect we'll be able to get those in place soon.

As far as the committee for the Forest Landscape Restoration Act, we have started the process to get that in place, and it's my hope that we'll have that, in early summer, so that that committee will be in place to be able to look at the recommended projects. We—last November, we sent out early guidance about how to put those project proposals together. In the very near—probably next week or so, I'll be sending out a call letter to the regions to provide direction about just how they need to put those project proposals together so that, as soon as we can get the committee stood up, we'll be able to put those projects in front of them, and so, we'll be able to go forward. Committee can make recommendation to the Secretary. The Secretary can select those projects, and we can get started on them this year.

The CHAIRMAN. Senator Murkowski.

Senator MURKOWSKI. Thank you, Mr. Chairman.

Chief Tidwell, regarding Tongass timber assistance, the budget that we're looking at proposes to end the funding for road construction and the improvements for timber development there in the Tongass. I think we recognize that the bulk of the Tongass is just clearly not accessible by—without some additional road funding. So, can you—as specific to the Tongass, tell me what level of timber harvest you would expect the budget to support; and then, how long do you anticipate it might be before the Tongass is able to

offer what was outlined in the Tongass land management plan, in terms of the 220 million board feet that was agreed to? So, what do you think the budget is going to support? How do we meet the terms of that TLUMP plan?

Mr. TIDWELL. Senator, this budget request will support the same level of timber harvest that we've had in the past on the Tongass. But, that's not the problem. The problem is, we not—we have not been able to implement. If you look at, you know, the track record over the last years, the amount of work we're actually being able to implement on the ground is not enough to sustain an integrated wood products industry.

So, this budget request, I think, will actually provide the incentive for us to be able to move forward on the transition plan that you referenced. A key part of that transition plan is going to be a bridge. As we've discussed, there is just no way we can go from where we are today to a focus on second growth on the Tongass and still maintain that integrated wood products industry. We need to have a bridge. That bridge is going to have to, you know, continue to have some of the traditional timber harvest activities to occur.

So, in this budget, when I talk about using stewardship contracts, I think the stewardship contract is a better tool for the Tongass than a timber sale contract. It takes away this argument about the cost. We can take a look at—here's the piece of landscape we want to do some work on, and look at everything we want to get accomplished on that. If part of it is to remove saw timber, remove biomass, do some stream restoration, do some roadwork on there, do some road decommissioning on that piece of landscape, we can put a project together. Through a stewardship contract, you know, if—especially, as part of our bridge strategy—we need to build a road—through a stewardship contract, we can build a road. We're just not going to be able to use our——

Senator MURKOWSKI. We won't have any money to build the road, though——

Mr. TIDWELL. We——

Senator MURKOWSKI [continuing]. Is the——

Mr. TIDWELL [continuing]. Won't have——

Senator MURKOWSKI [continuing]. Problem.

Mr. TIDWELL. We won't——

Senator MURKOWSKI. Roads——

Mr. TIDWELL. We won't be——

Senator MURKOWSKI [continuing]. Are expensive.

Mr. TIDWELL. Yes. But, we won't be able to use our CMRD funds for that road. But, through a stewardship contract, if there's, you know, say, receipts that are available from the biomass that needs to be removed, we can use that, you know, to help defray the costs of a road.

But, the real key on our budget here is that we have a larger road system than we need. I understand the——

Senator MURKOWSKI. Do you think——

Mr. TIDWELL [continuing]. Tongass——

Senator MURKOWSKI [continuing]. That's true in the Tongass?

Mr. TIDWELL. The Tongass is probably different.

Senator MURKOWSKI. Is definitely different.

Mr. TIDWELL. Different. But, at the same time, this budget will help us, I think, move toward that transition. I——

Senator MURKOWSKI. Let me ask you about this transition plan. We can have a much longer conversation about the uniqueness of the Tongass and the fact that, if there is no way to build out roads, it is very difficult to accomplish any plan. We keep referring to this transition plan. When are we going to see it? How will that plan, then, relate to the Tongass land management plan requirements that the Forest Service meet the allowable sale quantities that were approved in that plan? How do we mesh this all together? When are going to see this transition plan? Then, how will this plan be funded through the budget?

Mr. TIDWELL. I think our—you know, our current level of funding that the region receives, I think, will be adequate for the restoration activities, the harvest activities that I see will occur in the future on the Tongass.

We are working on some concepts with this transition plan, but I think it's essential, for this to be successful, that we need to work with the people of Alaska. We need to work with the communities, the interest groups, to build support around this. If I think we put out the perfect transition plan today, without first taking the time to really work with folks that have spent a couple years now—think—working on this, I don't think we'll be successful. I think it's essential——

Senator MURKOWSKI. I don't——

Mr. TIDWELL [continuing]. That we——

Senator MURKOWSKI [continuing]. Think you'll—

Mr. TIDWELL [continuing]. Work——

Senator MURKOWSKI [continuing]. Be successful——

Mr. TIDWELL [continuing]. Together——

Senator MURKOWSKI [continuing]. Because I don't believe they will be in business. I don't believe there will be anybody to implement a transition plan if we keep talking and talking and talking and talking—and, you know, talking about how we're going to allow for loans. Loans don't do anybody any good if you can't get the timber and if there is no work.

So, I'm very concerned that we've been in planning mode for a long time, and now the 4 small operators that we have down in south/southeast are, as I mentioned in my opening comments—I mean, they're selling off equipment, piecemeal. We've got—you know, we've got one entity that is in liquidation now. We won't have anybody to make that transition.

Mr. Chairman, I know that my time is out, but I hope we'll have an opportunity for a second round.

The CHAIRMAN. Very good.

Senator SHAHEEN.

Senator SHAHEEN. Thank you, Mr. Chairman.

Let me begin by commending the administration and Secretary Vilsack for his—for making the Forest Service a priority. I think that's very important, and long overdue. So, let me say how much I appreciate that.

Now, I hate to continue to be focused on parochial projects; however, I will, because I'm very interested to hear how this budget is going to affect the White Mountain National Forest, which is most-

ly in New Hampshire—800,000 acres in New Hampshire, and spreads into western Maine. But, as I'm sure you're aware, it's one of the most popular in the country. We—get over 6 million visitors a year. We are within a day's drive of 70 million people. So, this is an area that is the focus of a lot of attention on the part of tourists coming through New England.

I was concerned, in talking to folks—the staff at the White Mountain National Forest—to learn that their actual funding for last year was down 15 percent. I'm concerned about continuation of a reduction in funding for what they need to do. I appreciate the issues that our western forests are facing. I don't know about the Tongass forest in Alaska, but I'm sure that it has similar—there are similar concerns that they have to what we're looking at in New Hampshire, in terms of issues specific to our location.

I think anytime—I think it's important, and what I'm hoping you're going to tell me is that you appreciate the differences between our forests in the East and the forests in the West, and recognize that a one-size-fits-all approach doesn't work for both. The forestry sector is a very important part of our economy in New Hampshire. The White Mountain forests are a critical piece of that. If we get to the point where there's not a enough staff to regulate the timber harvesting, it's going to have an impact across the timber industry in New Hampshire.

So, I guess what I'm interested in hearing is how you think this budget is going to affect our ability to do what we need to do in the White Mountain forests.

Mr. TIDWELL. Senator, thank you for the question. Also, thank you for recognizing the support the Forest Service is receiving from the administration with this budget. In these difficult economic times, for us to have a budget request that actually has a slight increase over the 2010 budget, I—demonstrates the level of support that we have from the President, the level of support and understanding that Secretary Vilsack has with the Forest Service, and how important our work is, you know, to the Nation, and especially to the rural communities that we live and work in.

When I think about, you know, the White Mountain, and I actually think about our eastern forests, a lot of what this budget's built on is the good work that they've been doing over the years. When I talk about a landscape-scale conservation approach, that came from our eastern forests. They understand this; this is how they've been working. When I talk about restoration, and I think about the White Mountain, especially in the lands we've acquired through the Weeks Act, I'll tell you, that is the definition "restoration." When you can go up there and see those national forests today, and you compare to what they were years ago, they understand restoration. It's not something—I can go up there—when I visited, I had to be really careful to say, "Hey, we want to really increase restoration, really focus on that." They go, "Wait a minute. We know how to do that." When it comes to collaboration, that's how they've worked.

So, I look at this budget, it's very much in alignment with what we've been doing in some of our eastern forests. It's the sort of thing we want to get more across the entire Nation.

I do understand that every forest is different; every single one, even those that are directly adjacent. It's one of the benefits of our forest planning process. So, we can actually take—you know, provide direction, you know, to specific forests, based on what the communities need, based on their inputs, to be able to design and provide guidance about how that forest needs to be managed.

So, I think this budget, you know, lines up very well—this budget request lines up very well with the things that the White Mountain needs.

When it comes to recreation, yes, that's a heavily used, heavily visited, heavily enjoyed piece of country. This budget request also includes an increase for recreation. We have over 175 million visits every year. It takes, not only everything we can do with that budget, but all of our partners that we work with, to be able to continue to provide those recreational opportunities. I think, you know, the forest in your State is a prime example of how we need to continue to work together to be able to provide that.

So, I think this budget is very much in alignment with just what the White Mountain's been working on.

Senator SHAHEEN. Thank you. I have some more questions, Mr. Chairman, but my time is up.

The CHAIRMAN. All right.

Senator RISCH.

Senator RISCH. Thank you very much.

Chief, welcome. Thank you for visiting us.

Tell me—I understand that in the stimulus package, you—Forest Service got about $1.1 billion. Is that correct?

Mr. TIDWELL. That's correct—$1.15 billion.

Senator RISCH. How much of that has been spent?

Mr. TIDWELL. Our expenditures are to—from the last reporting date, were only about 10 or 11 percent. We have—you know, with our CMR, or construction projects, we have allocated, or are close to awarding contracts, on, oh, about 60 percent of that work. With the wildland fire, we're about close to 80 percent of what we've obligated or are about to release contracts on.

The expenditures is something that we're looking into, because it's kind of a—it's a question that I have. I thought the—as we awarded these contracts, that folks would be going to work, and they'd be submitting their invoices, and—et cetera. So, it's one of the things we're looking at to see what the—where's the difference in that lag time?

Part of it is that—as you well you know, that a lot of the country that this work is going to be done is—it's wintertime, there's a lot of snow. In fact, our folks did some analysis and said about 58 percent of these projects are in parts of the country that receive over 70 inches of snow every year. So, we definitely have to factor in, you know, that some of this is seasonal work.

But, on the other hand, it's one of the things that we're looking into to find out why. Part of it is to, you know, make sure that we have very transparent reporting and—so that we can, you know, show how this work is getting done. But, we've—I think we've done a good job to get work obligated, get contracts awarded.

One of the things that we've also done is that we've made sure that we've provided this work to local contractors and to some of

the smaller firms. It might have been easier for us to just bundle these jobs up into very large contracts and then just have a limited number of companies that could bid on that, and we chose not to do that. We purposely did what we can to provide a good mix, to make sure that the smaller companies could bid on these contracts, so local companies could bid on it. So, that's also—you know, created, you know, some additional contracting.

We did put up our—these regional contracting centers to help facilitate this work. When we started to get a backlog with those contracting centers, we doubled the staffing in those contracting centers so that, as soon as the contract packages were submitted—we have 90-day turnaround time from when those projects are submitted to the contracting center to when they are awarded. With our requirements for advertising, I think that's a very aggressive schedule.

But, I'll get back to you with our results as to what we've found about why the expenditures seem to be, you know, not quite tracking with our level of obligations.

Senator RISCH. What do you think—just off the top of your head, how much of it will you have spent by the end of this fiscal year, by October the 1st? Just ballpark is all I'm looking for, Tom.

Mr. TIDWELL. Senator, I'm optimistic that, you know, we'll have—you know, by—you know, by the end of this field season that, you know, the majority of this will be spent. You know, depending on the size of the contract, we require a—almost an immediate startup date—no more than 30 days from when the contract's awarded to when you start. Some of the contracts have a very short time that they have to be completed. Some of the larger contracts, they have a couple years. So, some of this will, you know, go into the next year and continue to provide jobs. But, by the end of this field season, I expect that we'll have a significant increase and—the outlays, the expenditures on this.

Senator RISCH. I appreciate that.

Let me just say, in closing here, that I appreciate your work in getting your budget down. I see you've worked at that over the budget, and obviously America can't go on the way it is spending money. It's going to be more severe, I think, in future years.

The one thing I would like to point out is, you received a letter from the Idaho delegation urging you to reconsider decreasing the discount for seniors and the disabled people who buy permits for camping and what have you. You're reducing it from 50 percent to 10 percent. That's got to be a pretty de minimis amount in the overall budget. It seems to me, with those people who are the most vulnerable people that we have, that we could continue that 50–percent discount. So, I'd urge you to have a look at that.

Mr. TIDWELL. You know, Senator, thank you for that. It—we did propose changing that discount, and we also proposed increasing some benefits with the annual passes, to kind of have a mix there. I can tell you, that by far—by far, the comments that we received have been not supportive of this idea. We haven't made an announcement yet. But, you know, we're going to be looking at different ways to be able to address what we need to do in our campgrounds, and find other ways with that. But I do appreciate the question. I appreciate your letter.

Senator RISCH. Thank you. We generally support many of the things the Forest Service does, but count us in that group of "not supportive," please.

Mr. TIDWELL. Thank you.

Senator RISCH. Thank you.

Thank you, Mr. Chairman.

The CHAIRMAN. Senator Lincoln.

Senator LINCOLN. Mr. Chairman, thank you so much. I apologize for being in many places, and being late to the hearing today. But, I do thank you, and very much appreciate the hearing today. You know that the Forest Service is an important agency to me. I'm very proud that we share a little bit of jurisdiction over this group of dedicated professionals, between our committees, both here in Energy, as well as in the Agriculture Committee. So, I appreciate very much.

Chief Tidwell, thank you. Appreciate you being here today. Certainly appreciate working with you, and having a visit. I was pleased to get to go home in Arkansas and tell them I had met with the chief of the Forest Service. So, I appreciate the opportunity to work with you.

Just 2 quick questions, and I know you probably know what the first one's going to be. I understand that several groups have filed appeals regarding the proposal to drastically reduce the off-highway vehicle, the OHV, use in the Ouachita National Forest for us in Arkansas. I ran into the mayor of Mena the other day, and they said they were going to lose about 50 percent of their revenue, in a time when—they can't support that in an economy like this.

But, I'm extremely concerned about the decision, and it came as a great shock to our constituents in Arkansas, particularly the decision to close the Wolf Pen Gap area for most of the year. Obviously, just keeping it open for a few months during the summertime is really not adequate for the number of individuals that really enjoy it. It's an area that's largely dependent on tourism, without a doubt, from visitors who come there to enjoy the forest.

I relayed that to you in January, and I just am very concerned about it, and hope that you in the Forest Service will work with the—work these issues out with the local communities and be cognizant of what impact it has on them, and certainly be willing to look at their appeals and their concerns. I think they are willing to work with you. I just—I hope that you'll be cognizant of what they are up against there, and hope that you can assure me that—you know, that you're not going to move on those restrictions, in terms of access, until the issues have been resolved and that you have kind of worked with the community.

Then, the last thing is, is I'm just also alarmed about the Forest Service budget proposal to eliminate the timber sale line item. I know you knew that that was coming from me, because the timber sale is a big issue for us. I think it—it's—it is one that we really use effectively and efficiently in Arkansas. We have one of the best management practices in the—in any of the States. We bring everybody to the table to make those determinations and make sure that we're using those resources effectively and efficiently and in—as good stewards of the land. But, we also return a tremendous amount of resources to the Treasury through those timber sales.

Just would—you know, again, hope that can ensure us, in some way, that the proposed, you know, Integrated Resource Restoration Program and other cuts will not further, you know, harm the already struggling sawmills that—and timber industries that we have in Arkansas and in other States.

Mr. TIDWELL. Senator, thank you.

I'll address your first question, on the travel plan. As—and I, too, thank you for the time to visit with me and express your concerns on this. You know, we—we've received 27 appeals on this decision, and we may even actually get a couple more; they may come in the mail this week. So, it's—it'll take a little while for us to work through those, but I can assure you that our staff's going to take a look at those and see if we can find ways to resolve, you know, the concerns there so that we can move forward with a decision that can be supported.

I think it's essential that we do our travel planning. I think it's essential to be able to continue—for the years to come, to be able to continue to provide motorized recreational opportunities by having a dedicated system of trails in dedicated areas. I think it does provide for sustainable recreation use. So, it's very important that we are able to get this done.

It's also essential that we do it in a way that it's—can be supported. There's some ownership into that decision so that we have the compliance that we need, and that's just essential.

So, I'm optimistic that—you know, based on the appeals, and the concerns that are raised, and hopefully some ideas there that will help us to take a look at how we can address the concerns, but, at the same time, you know, provide the recreational opportunities that folks really enjoy there. So—and I appreciate your leadership and help on this.

Senator LINCOLN. Thank you.

Mr. TIDWELL. On the—your second question, our budget request, the last thing it is, is to reduce active management restoration work. In fact, it's my intent that through this budget request we can do more. You know, in the Ouachita, it's a forest that many of—many of their sales do cover costs of preparing and administrating those sales. So, you know, we still have the option of using a timber sale contract. That's really project by project, so any project that—you know, when we look at—the potential value of the material to be removed will cover those costs. We can use a timber sale contract.

But, what I'd really want us to be using is stewardship contracts. I think it's a better tool. I think it's a better tool in the Ouachita to use. Maybe not in every place. The reason it's a better tool is that it allows us to put all the work that we want to get accomplished across this landscape in under one contract. It provides assurance that we're not only going to be doing the biomass removal, the sawlog removal that we need to get done, but also we're going to be doing the roadwork that needs to be done, improving wildlife habitat that needs to be done, addressing fisheries concerns, addressing recreation concerns, trails. That's the idea behind the stewardship contract, and I think it's a better tool. So, if anything, in my view, this is going to help us to be—to do more.

Now, we're going to continue with our integrated resource restoration line item. The focuses on that is going to be acres treated, acres restored. But, we're still going to track outputs, we're still going to be able to tell you, at the end of the year, you know, how many million board feet we sold, how many acres of wildlife habitat we improved, how many miles of stream that we've improved. We're still going to track those outputs. But, the concept here, it really supports a stewardship contracting idea, in that it allows us to really take a look at the landscape and think about what we need to do. What's the work that needs to be done there? Instead of being driven by this program or this program, it'll actually allow folks to be able to sit down together, take an integrated approach, and I think it'll actually help build more support for the kind of work that we're doing there on the Ouachita, the kind of work that we need to get more done throughout the country.

Senator LINCOLN. I appreciate that. I know my time is up. But, would you say that—if, in fact, those stewardship contracts are the best tools to use, I would just say that timeliness is also an issue. When you get too many things into one contract—too many purposes, too many objectives—sometimes people feel like that they move too slowly. At this juncture right now, particularly in the timber industry, they are—they're in dire need. They're—they were in dire need, years ago. So, I just hope that we'll look at an efficient and effective way of implementing things that can move in a way that doesn't take too long, though.

But, thank you, Chief. I appreciate it. Appreciate you being here, and appreciate working with you.

Mr. TIDWELL. Thank you.

Senator LINCOLN. Thank you, Mr. Chairman.

The CHAIRMAN. Senator Wyden.

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

Chief, great to have you here.

I am pleased about a number of things in the budget, the support for fire suppression. I'm also very pleased to see the shift to landscape-scale restoration work. The $50 million for the priority watersheds and job stabilization effort, in my view, is exactly the kind of targeting that we're going to need in the future.

As you know, in December we were finally able—after what amounts to years of discussion, we were able, in Oregon, to bring together the timber industry and the environmental folks on the east side—in effect, it's 6 national Forests, over 8 million acres—on a combined plan that's going to get sawlogs to the mills, give a boost to biomass, bring about more efficient forest management, and also do some serious old-growth protection. So, we think—in fact, people were kind of stunned when these folks were standing, you know, next to each other—people who had, by and large, spent a lot of time litigating against each other—coming together. So, we look forward to working with you, because I think you're moving to the kind of approach that Oregon has tried to promote.

Now, I'm sorry that I was a little bit late. I know you're consolidating some of the items into the new integrated resource restoration line item. What people are going to want to know in my part, you know, of the country is, How, with this change, can you give

us assurance that it's going to be possible to get sawlogs to the mills? Why don't you see if you can—I know you touched on it with my colleague, and she and I share a lot of similar interests in this, but tell me, if you would for the record, how we can provide assurance, in our part of the country, you can get sawlogs to the mills.

Mr. TIDWELL. Senator, thank you, for the question, and also, thank you for the work that you do, the leadership you provide. As you referenced, what we've been able to bring together there in eastern Oregon—to be able to bring folks together that, in the past, have had a hard time probably being in the same—sometimes the same town, now are willing to sit down together, to work together, to reach agreement on the type of work that we need to get accomplished.

With our integrated resource restoration budget line item proposal, like I was discussing, we will be focused on acres restored as one of the metrics, but we will continue to track the outputs, which will be—for instance, board feet. What we estimate with this budget, that we will produce about 2.4 billion board feet, which is just a very slight decrease from what we have in the 2010 budget proposal. I believe that's a very conservative number.

I think that, by the end of the year, that, with this approach, we'll be able to build more support for the work that needs to be done, and that we will continue to be able to provide that type of material. I know, without question, how essential it is to maintain the integrate wood products industry. If we lose that industry, and in the places in this country where we have, it's just so difficult for us get the work done, to get the restoration work done.

So, you know, I wouldn't be here making this request if I didn't think that we'll be able to continue to do that level of work. Actually, I feel that we can increase the level of work that we get done through this budget request.

Senator WYDEN. You're certainly right on with respect to losing the infrastructure. If we lose the infrastructure in eastern Oregon, which is absolutely pivotal to bringing people together, then you don't have the tools, for example, to have a real biomass, you know, industry. It was very key to getting agreement.

On the question of the Recovery, you know, Act, the projection was that there'd be 20,000 new private-sector jobs by the completion of implementation. Obviously, we've got a long, long way to go to hit that target. What, in your view—because, as you know, there's a tremendous amount of work that needs to be done—what, in your view, can be done to accelerate the pace of hiring folks to do work that we all need, is—we all understand is so important?

Mr. TIDWELL. Senator, it's one of the things that I've been focused on since I came into this position, about how we can accelerate, you know, getting the contracts awarded, and then accelerate to get the work started. Like I—we have looked at our contracting centers to make sure they're properly staffed, so that the—as soon as the contract packages are presented, that we have a deadline to be able to turn those around and have them out within 90 days. That includes the time that we're required to—for presolicitation and bidding on these projects. So, we're tracking that.

In fact, I have a call, every week with our National Leadership Council, where we talk about this. I ask each of our regional foresters, our station directors, What are the issues, what are the barriers that are, you know, slowing down for us to get this work done? So, each week as things come up, we sit and talk about that and decide a course forward. So, we're continuing to make, I think, very good improvement.

You know, part of it is just the seasonal nature of some of our work in parts of the country. I, you know, expect, this spring, we'll see a significant increase in the number of jobs, you know, the outlays that occur. We—I put out direction, earlier, that we needed to have every contract package into our contracting center by the 1st of March. We're going to be close to that. We won't quite have that done. So, even the last contracts that need to be awarded, we'll have those out for the start of this field season. So, I'm expecting we'll see a significant increase in the number of jobs, the number of people the are—we're able to put back to work.

Senator WYDEN. I'm going to ask you, at every hearing when you're here, about what's being done to get more folks in place. Because this work is so urgent, and the reality is—and I know my time is up, but, Mr. Chairman, these fires that we're seeing in our part of the country, they are not natural fires, they are infernos that come about as a result of years and years of neglect. So, just expect that, every time that you're here, I'm going be pressing on what's done to make sure that we get those 20,000 jobs. We've got a long way to go. I appreciate the fact you want to accelerate the hiring, and we've just got to keep the pressure on.

I think—Mr. Chairman, are you going to have another round after this?

The CHAIRMAN. We will.

Senator WYDEN. Great.

The CHAIRMAN. Yes.

Let me just ask one question, and then defer to Senator Murkowski for additional questions.

You mentioned, in your opening statement, I believe, the Youth Conservation Corps. To what extent have we been able to use the Recovery Act funding, or the budget that has now been proposed for next year, to really increase, significantly, the number of young people that we can put to work in these Youth Conservation Corps? Is that on track to happen, or not?

Mr. TIDWELL. You know, Senator, it is. I will—I'll get back to you with the specifics on the number of projects that we have the Conservation Corps working on.

But, I can tell you, that is one of the groups that have been essential for us to be able to more forward and quickly put people to work. They are—the Corps network is set up so that, as soon as they receive the funds, they can put people to work almost immediately.

So, it's been a focus with our economic recovery projects, and it's going to be a focus with our—especially this year's budget, and also with 2011. I feel it's not only a great way to get the work done, but it's an excellent investment, the investment in the youth of this country, to give them the experience to be able to get out there and not only get some good work done, but to have that experience, to

be out of doors, having experience to—for us to talk to them about the environment, to talk them about the mission of the Forest Service, because we look at that as an excellent way for us to do outreach for our future employees for the Forest Service.

The CHAIRMAN. That's certainly my view, as well. I think that we've got a great opportunity to use these Youth Conservation Corps around the country to a much greater extent than we do today to get a lot of good work accomplished.

Senator MURKOWSKI.

Senator MURKOWSKI. Thank you, Mr. Chairman.

Chief Tidwell, I'd like to ask you about the roadless rule. As we all know, there's discussion that the administration will reimplement the roadless rule policy that was proposed initially during the Clinton administration. In Alaska, with the Tongass, got some other issues at play. You've got the Alaska Lands Act, you've got the Tongass Timber Reform Act, you've got some other congressional mandates, a specific legislative mandate that there be harvest from the forest. That was a mandate that the Forest Service had recognized 3 years ago, when they settled the suit over the roadless issues filed by the State of Alaska.

So, my question, to you is, In view of all that, does the Forest Service—does the administration intend to defend, and to vigorously defend, the court settlement that we have with the Tongass, given the Tongass specific legislative history there?

Mr. TIDWELL. You know, Senator, I have not been, you know, briefed on that lawsuit. In fact, I think it's planned for later this week, to be able to sit down with that, to be able to specifically answer your questions on that.

But, when it comes to roadless, you know, it's—I've been working on this issue for close to 30 years, almost my entire career, and I think about all the time and energy that we've spent on trying to come to some agreement about how roadless areas should be managed. You know, that's going to continue to be my focus. and we have some work to, you know, do on the Tongass. So, we're—you know, this administration has been very clear that we are going to protect roadless areas, we're going to protect those values. At the same time, we have to, you know, work, you know, with the concerns and the issues that come along with that.

So, at this point in time, we're waiting—we're not moving forward with doing any action, we're going to wait to see what happens in the courts. In the past, we've moved out and done additional rulemaking before the courts have ruled, and it's—you know, creates a kind of an ongoing situation. So, this time around, the decision's been, we're going to wait to just see what the courts do on roadless.

I expect we will, you know, defend. I don't see any reason why we would not defend that. If there is something different there, I will personally give you a call and let you know.

Senator MURKOWSKI. I appreciate that. As you say that you will work to protect those roadless areas, I would certainly hope that you would work to protect the settlement agreement that was reached with regards to the Tongass and the issues that were presented in that litigation. Again, it's more than just one lawsuit. You've got Federal Acts——

Mr. TIDWELL. Yes.

Senator MURKOWSKI [continuing]. Our Alaska Lands Act, the Tongass Timber Reform Act, that all come into play. We would certainly hope that this administration, as well as any other administration, would protect those agreements that have been reached and, again, vigorously defend them.

Let me ask you about the stewardship sales. I understand that your staff and our legislative staffs have had multiple briefings on this issue. What I understand is that only those timber sales—again, the below-cost timber sales—only the timber sales that are going to return more revenue than they cost will be developed. I want to make sure that I understand that, with this budget, that is—that, in fact, the direction that is being taken with the budget is that you will—you will not be allowing sales to move forward that are these below-cost timber sales, that, in fact, the budget proposes to end the use of commercial timber sales that don't return more revenue than they cost to plan and prepare and sell. Is that a correct interpretation of where this budget takes us?

Mr. TIDWELL. This budget request encourages the use of stewardship contracting.

Senator MURKOWSKI. I understand that.

Mr. TIDWELL. It's one of the things that—I've been frustrated, over the last few years, of why we—as an agency, we haven't been able to do more. So, this budget encourages and facilitates, you know, the use of stewardship contracting. We still have the timber sale contract as a tool to accomplish the work, and we'll use that in the places where the material to be removed will cover the cost—the value of that material will cover the costs of preparing and administrating the sale. But, in—but, even in those areas, a stewardship contract, I think, is often a better tool.

I want to keep both tools. I think it's essential that we have both contracts, but I want to see us to do more with stewardship contracting. I really believe it's a better tool——

Senator MURKOWSKI. Let me——

Mr. TIDWELL [continuing]. For the Tongass.

Senator MURKOWSKI [continuing]. Ask you, though, about that. I mentioned it in my opening comments. I made the statement that there haven't been any stewardship contracts that return more revenue receipts to the Treasury than they cost the Forest Service to plan and prepare and sell. Isn't that a correct statement?

Mr. TIDWELL. You know, Senator, I'll have to get back to you on——

Senator MURKOWSKI. OK.

Mr. TIDWELL [continuing]. That. I know that——

Senator MURKOWSKI. Can you give me a list of—if there are, in fact, stewardship contracts that, in fact——

Mr. TIDWELL. OK.

Senator MURKOWSKI [continuing]. Do pencil out, can you provide us that list?

Mr. TIDWELL. I will.

[Information referred to follows]

Mr. TIDWELL. The concept of a stewardship contract is, where we do have a valuable material that needs to be removed—sawlogs, biomass—we—through a stewardship contract, we can use those

revenues to then pay for the restoration work. So, most stewardship contracts are not going to return money to the Treasury, just—it'll—they'll balance out, it'll zero out.

In many of our stewardship contracts, we also have to add appropriations to that to get all the work done. So, the material to be removed may defray some of the costs, but we also have to use appropriated funds to cover all the restoration work that we want to get accomplished.

The stewardship contract, there's no requirement that it returns—covers the cost of preparing the work or anything——

Senator MURKOWSKI. Right.

Mr. TIDWELL [continuing]. Like that. So, you know, this below-cost issue, it's—it definitely wasn't the—you know, the intent to even bring that up into the discussion; it was to be able to use the right tool for the work we want to get done. So, we'll continue to use—have both tools. But, a stewardship contract, the authority that we have, I believe, in most cases, is a better way to get this work done. There'll be other places we'll use—you know, we'll use timber sale contracts, where we can. But——

Senator MURKOWSKI. I just want to make sure that we don't have a different standard here, that for commercial timber sales, you know, you're—they won't be allowed to go forward unless they—more revenue comes in than goes out, and that, for other, it would be a different standard.

Mr. TIDWELL. The difference is the contract we use, whether it's—that's timber sale contract or a stewardship contract. That's the only difference. The work still—the work is what—the work—the restoration work, the work that needs to be done, we—we're—still go forward with that, we just use a different contract. That's the difference on this.

So—and like I—I'm very confident that we're going to be able to get more work done than we have in the past by this increased focus on using stewardship contracts. We have a ways to go, we're actually developing a new contract. It'll actually be—it'll be easier for our folks to be able to use. I think it'll be easier for our contracting purchasers. The folks that have been using stewardship contracting, those that are comfortable with it, they've been able to, you know, bid, and use—bid on these projects.

Now there's a lot of support for this concept, not only from the purchasers and the contractors, but there's a lot of support across the board for using a stewardship contract. It provides that assurance that I'll—not only are we doing the biomass removal, the sawlog removal, but, at the same time, we're doing restoration work that folks are very interested in. So, by putting that together in one package, you build a lot more support for the kind of work that needs to be done on the landscape.

Instead of using a timber sale contract to do the biomass removal, having another contract to do some roadwork, another contract to do some fisheries habitat work, the stewardship contract, we can put that together. Then if there are any value of the material that needs to be removed, we can then use that to offset the costs for this other work that needs to be part of the package.

You know, I am—I'm very—I really feel strongly that this is a better tool, in most cases, for the Forest Service to be using it. But,

we'll use both tools. But, it's all just—the difference is in the contract that we use.

Senator MURKOWSKI. Thank you, Mr. Chairman.

The CHAIRMAN. Senator Shaheen.

Senator SHAHEEN. Thank you.

I should begin by recognizing Under Secretary Harris Sherman, who I saw in the back of the room here, and just thanking him for his willingness to come to New Hampshire and meet with folks in New Hampshire who are involved in the forestry industry in the State. Would love to have you come up, too, Chief Tidwell. So—we don't want to show any favoritism here, we want everybody in New Hampshire.

I want to raise the same question that Senator Wyden did about what the impact of the reorganization into an integration resource restoration line will have on the ability of National Forest offices to avoid reductions in timber harvesting, and just would appreciate assurances that we won't see reduced timber harvesting as the result of that reorganization.

Mr. TIDWELL. Senator, you know, you look at what we're estimating, the amount of board feet that we plan to sell in 2011, and it's a vary slide, it goes from 2.5 in 2010 to 2.4. Once again, I think that's a very conservative estimate. So, I actually believe we'll be able to accomplish more by having this budget line item.

You could argue that we should be able to accomplish this level of integration with multiple budget line items. But, the difference is that it allows our budget structure to being aligned with the kind of work we're trying to get done on the landscape. So, it just helps facilitate that integrated thinking, and it helps facilitate to bring people together in their planning. It sends, I think, a very clear message about the focus for the Forest Services, on restoration. I used, you know, forests in your State as the perfect example about—really what drives the work that they do is on restoration of those forests.

So, I am—I'm very confident that this consolidated budget line item is actually going to help facilitate the work. It's going to make it easier for us to be able to take a look at the landscape versus program by program of what we need to get accomplished, and it will—in my experience, it will definitely build more support for the type of work that we need to get done.

So, you know, if I thought we were going to see a significant reduction, I'd be telling you that, and that we'd—we are shifting. But, that's not the case.

There are so many places in this country. We need to do more work, and I think that's very evident. So, this is one—one way that it will really help us, I think, to be a little more effective, build more support, and be able to continue to produce the mix of benefits that come off the national forests and grasslands.

Senator SHAHEEN. Thank you.

Finally, Senator Murkowski raised the issue about roadless areas. I know that there is a moratorium on taking action on that for a while, until some of the court issues have been resolved. But, again, since I'm probably not going to see you until after that has happened, unless you come up to New Hampshire, I do think it's important to reiterate, again, the difference between the eastern

forests and the western forests, that it's not—when we're looking at roadless areas, it should not be a one-size-fits-all approach, and that, in New Hampshire, we have a consensus forest policy that—and plan—that the environmental community, the timber industry, and policymakers have agreed to, and it's been put together with a lot of local input. I would hope that we're not going to have a policy in Washington that comes in and supersedes what has been carefully put together by the local folks in New Hampshire.

So, I would just urge that, as we look at any future efforts to address roadless areas, that it take into consideration what's happened on the ground in States.

Mr. TIDWELL. Senator, thank you for that. I can assure you that we will. I have been up to our new office there, which I think——

Senator SHAHEEN. Good. Which——

Mr. TIDWELL [continuing]. Is——

Senator SHAHEEN [continuing]. You've beat me, then, because I haven't been there yet, and I understand it's really terrific.

Mr. TIDWELL. It's a model of what we can do to reduce our environmental footprint. You know, I wish we could have an office like that everywhere. But, that is one that the folks have done an incredible job to just bring everything together, to be able to provide the heat from wood pellets; actually, then, when there's surplus, they can use a gasification system to actually put electricity onto the grid; that you have a—you know, just an incredible building there. So, we use that as an example about—a model about what we can do to really reduce our environmental footprint, you know, reduce the energy costs, and everything. So, it's something I'm very proud of, and I was very pleased, excited to be there on the day we were able to dedicate that new building.

Senator SHAHEEN. Great.

Mr. TIDWELL. So——

Senator SHAHEEN. Thank you.

The CHAIRMAN. Senator Risch, you had a additional question.

Senator RISCH. Briefly.

Tom, I don't know why you think roadless is so hard. You know, I only worked on it once, and it was tremendously successful. I don't know what the—why the difficulties.

[Laughter.]

Senator RISCH. For those of you who don't know, Tom and I worked together on the Idaho roadless, where we had 9.2 million acres of roadless, and some of the most diverse in the country. But, we wrote a rule, and—well, it was a collaborative effort, and it was supported by the environmental community, the industry, and everyone else.

I want to thank you, right now, for defending it. We have a small challenge to it—and it truly is a small challenge. We have both the conservation groups and NSTA groups that have stood by us and are defending it. Thank you, for the new administration carrying on the defense of that. We appreciate it.

I've also noted, in the things that you've put out, you've indicated that whatever else happens with the roadless rule, that Idaho rule will stand, having been published and adopted by the Forest Service. So, we appreciate that, and thank you very much.

Mr. TIDWELL. Senator, I, too, want to thank you. When I look at what we were able accomplish with the Idaho roadless rule, that—and people have asked me, "Well, how did you do that?" I first reference then Governor Risch, now Senator Risch, his leadership of what you're able to do to recognize what it would take to bring people together and to be able to strike a compromise that protects roadless areas, but, at the same time, provides some flexibility to address, you know, concerns from the local communities. You know, I'm very proud to have been, just, part of that.

But, Senator, I—once again, I just want to thank you for your leadership. That's the sort of thing that, often, is what it takes to be able to get these things done. I think if we can find resolution in Idaho, I think we can find resolution everywhere, when it comes to roadless.

Senator RISCH. I think that—people ask me the same thing, "How'd you get it done?"—and I think that—the first thing that struck me, because of my forestry background, was that, over the 40 or 30 years, whatever it is, that they've been fighting about it, that everyone was attempting to treat roadless as a one-size-fits-all. As you know, I broke it into 280 different roadless pieces in Idaho, and we treated each one like a piece of property should be treated: uniquely. Although we put them in 5 different categories—that really, really worked. I mean, people rallied around. It was amazing how well people accepted the fact that—industry people who—you know, we had "not one more acre" people for wilderness, what have you, and I said, "Look at this. Look at this piece of property. You think you're going to cut trees on here? Build it? It's never going to happen, you know, why are we even talking about this?" Once we did that, once we broke it out, that seemed to be—yeah, I think it was the keystone, I really do. So—anyway, thank you for your help.

I saw one of your predecessors—Mr. Bosworth, who—by the way, we were in the College of Forestry together, we were in the same class. I hadn't see Dale in a while. I was on a congressional delegation in a visit to Egypt last April, and I got on an elevator in Egypt and I ran into Dale Bosworth. I said, "What are you doing here?" He says, "I'm doing some consulting work for the Forest Service." I said, "Dale, have you looked around? You know anything about palm trees?" You know, the——

Thank you Mr. Chairman.

The CHAIRMAN. All right, thank you.

Senator WYDEN.

Senator WYDEN. Thank you, Mr. Chairman.

I appreciated my colleague from New Hampshire putting in a good word for Under Secretary Sherman. He's in the back, so I guess all we get to do, really, is give him a little shout-out. But, he's really been out there listening to the Oregon folks, as well, and, I think, getting a sense of how urgent it is that we get this put together and get it enacted. So, I want to say, even though he's in the back of the room, a big thanks to Under Secretary Sherman. Glad he's at his post.

Chief Tidwell, one other area, and that's a question about hazardous fuels reduction and the emphasis on the wildland-urban interface. Now, suffice it to say we know—at least in our part of

the world, and I think it's true, you know, generally—there's millions, and millions of acres that we got to go in there and thin out. It is absolutely essential if we're going to get the forests healthy again. You have included more funding in the various accounts that deal with it. All very constructive.

But, the agency has indicated a desire to focus on the wildland-urban interface. I want to just unpack this for a minute and sort of stipulate right out up front that there is no difference of opinion, on this side, you know, of dais, about how important the wildland-urban interface is, and the community wildfire protection plan. Let me just stipulate, these are very, very critical priorities, and I support the efforts to go there.

My concern, though, is, in my State, there are millions and millions of acres in the back country. They're in the back country, and they are in urgent need of restoration work. For example, to strike that balance, the kind of balance that we would like to have, so you can get sawlogs to the mills, biomass going, protect, you know, old growth—if we're going to protect the old growth, we've got to go into some of this, you know, back country and do some, you know, very serious, you know, thinning work. We've had forestry experts come to the Timber and Forestlands Subcommittee, that I chair, and say the same thing.

So, what can we do, knowing how important the wildland-urban interface part of this is, to make sure that that's not the only hazardous fuel reduction work that's done and that we also have a very aggressive effort going in the back country? Your thoughts?

Mr. TIDWELL. Senator, thank you for the question. You know, our increased focus on the wildland-urban interface with this budget request is—the recognition is, that is—that is the place where we have the most difficulty with suppressing fires, just because we lose some options with the close proximity of homes and communities.

It's—I think it's essential that we get in those areas and we do the treatments that need to be done. The majority of that has to be mechanical. You're actually going to see—with this increased focus in the wildland-urban interface areas, you're going to see more mechanical treatments, because it's much more difficult for us to use prescribed fire in those situations. So, there's going to be more mechanical work done, more biomass, more sawlogs that'll need to be removed, you know, out of that effort.

But, the focus with our hazardous fuels on that will just increase that focus. We're still going to be doing some hazardous fuels work in other areas. But, we also—through our integrated resource restoration work, we also can, you know, change the condition class of landscapes and be able to—when we're doing restoration work, we're also accomplishing hazardous fuels work, we're also reducing the severity of a catastrophic fire, we're also improving—increasing the effectiveness of suppression tactics by doing this work.

So, you have to really take all of it together. It's difficult—if you just look at any one piece of this budget, you can say, "Well, OK. How are going to treat the back country?" But, if you look at it together, I think—I feel very confident that this is a good mix, to be able to do both types of work that need to be done, and be able to work together on it.

Senator WYDEN. I just want you to know how strongly I feel about this. A lot of the folks in the back country, in Oregon and around the country, almost believe they're an afterthought. You know, they say, "I know the population is in the area. The people with the nice homes are in the, you know, urban area." We just cannot have this situation, where it seems that most of the discussion, most of the focus goes to the urban—you know, urban interface. That's why I wanted it understood that I'll fight like crazy for those kinds of thinning programs. I think you make a good case. But, it does seem, in a lot of the discussion, that hardly anybody mentions, you know, the back country. We've got to get, you know, in there. That's one of the reasons the eastside, you know, program is so important. So, we'll be following up with you on that, as well.

Mr. TIDWELL. Senator, just to follow up, another opportunity there for the eastside forests—and I fully expect we'll see a project proposal under the Collaborative Forest Landscape Restoration Fund—to have that focus on addressing fuels, wildland fire concerns. That's a great opportunity, and I know—with the collaborative efforts that are in place that you referenced earlier, I expect those folks will be able to submit a very good proposal, and I would encourage them to do that, because it'd be another opportunity for them get additional funding and also to be able to focus on the type of work that you're describing.

Senator WYDEN. I appreciate that. There's no question that having proposals that add up, that can be a model, you know, for the country, are critically, you know, important. You have a lot of challenges. You know, a lot of us from the rural West have ideas about it. We're going to work very closely with you, we're going to work closely with Under Secretary Sherman. This is a key, kind of, time. Look forward to continuing this discussion.

Mr. TIDWELL. Thank you.

Senator WYDEN. Thank you, Mr.——

Senator MURKOWSKI [presiding]. Chief Tidwell, we appreciate you spending time with us this morning. I will tell you, I leave the hearing this morning perhaps more frustrated than when I came in. I think you heard my—the frustration in my tone, in my comments, in—particularly in the opening remarks that I made.

But, I'm—I haven't gotten the answers that I had hoped to hear, in terms of, you know, the expected level of timber harvest, how we meet the TLUMP, when we can expect the transition plan, how it's going to be funded. I mean, we've been trying to work with you to determine whether or not these grants through Forest Service RDA might be available to at least the 4 applicants. We haven't gotten certainty on that. We want some real commitment. Hopefully the administration will be there, the Forest Service will be there, in defending the Tongass roadless.

I appreciate your perspective on the stewardship contracts and the opportunities that you think that they present. I wouldn't disagree with that, but I still remain concerned that if we don't have those revenues to direct to the Treasury to offset those stewardship contract costs, then you have to rely on appropriations. If there's no appropriations, then where are we?

So, I recognize that there are continued complications, issues that we face with these as we look to these sales. I would hope that

we would continue to have a very open door in discussing, from the agency, with Alaskans, the concerns that so many have about what we're seeing with the Tongass. Again, I will reiterate my concern about a transition plan and how we can be realistic about this plan while—at the same time, recognize that we may not have individuals to implement the plan. Senator Wyden, in his comments, also indicated, you know, if we don't have the folks within the industry that can hang on, then you aren't able to do the retooling that I think we recognize is the direction that we're taking.

So, we've got a lot of work to do in front of us, and hopefully you will remain as committed to returning our phone calls and sitting down with us as you have been in the past. We've got some things that we've got to do and, I believe, must do in very, very short order.

So, with that, we stand adjourned.

[Whereupon, at 11:56 a.m., the hearing was adjourned.]

APPENDIX

RESPONSES TO ADDITIONAL QUESTIONS

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

QUESTIONS FOR TOM TIDWELL FROM SENATOR BINGAMAN

Question 1. I see that the budget proposes an increase of $8 million to finish the travel management planning process. Do you believe this level of funding is adequate to complete the job?

Question 2. Approximately what percentage of your law enforcement effort is currently dedicated to off-highway vehicle issues and conflicts?

Question 3. What percentage of your law enforcement encounters is off-highway vehicle-related?

Question 4. How do you plan to coordinate the climate adaptation initiatives described in the budget with other agencies?

Question 5. Does the Forest Service plan to continue a full annualized forest inventory and analysis (FIA) program in New Mexico in FY2011?

Question 6. In 2007, the GAO found that the Forest Service did not have an adequate system to track the costs and revenues of timber sales and stewardship contracts (GAO-07-764). Has the Forest Service developed a formal system to track obligations, expenditures, and revenues on a contract-by-contract basis?

Question 7. When does the Administration expect to finalize a comprehensive wildfire aviation strategy?

QUESTIONS FOR TOM TIDWELL FROM SENATOR WYDEN

Question 1. Land and Water Conservation Fund—I'm pleased to see increased funding for the Land and Water Conservation Fund, which assists with preserving important public values. The program ensures funding for the Forest Service, among other land agencies, to acquire inholdings and other priority land parcels from willing sellers, thereby reducing management costs, protecting wildlife habitat, reducing the risks and costs of catastrophic wildfires, and ensuring public access and recreation. The program has ensured millions for Forest Service projects in Oregon alone, including places in the Columbia River Gorge and the Hells Canyon National Recreation Area. There is a significant economic impact from the recreation that is enhanced by these land acquisitions. Active outdoor recreation contributes $730 billion annually to the U.S. economy and supports 6.5 million jobs across the country, including 73,000 jobs in Oregon. I am a supporter of legislation to fully fund the Land and Water Conservation Fund. In addition to Congressional efforts, how else can we ensure that consistent and robust funding for this program will continue each year, allowing a lasting outdoor recreation legacy with economic opportunities for future generations?

Question 2. Pacific Crest Trail/Trail Systems Funding—I know that a number of items in the Forest Service budget have been moved around into new approaches. However, the Agency failed to include funds in this year's budget, as in the FY10 budget, for the Pacific Crest National Scenic Trail. Administration of the National Scenic Trails is an important agency responsibility and much work remains to be done on these trails. Can you explain the lack of funding for this trail and what the agency is doing to plan for timely completion of protection of the Pacific Crest National Scenic Trail experience through acquisition of land and easements over time, as directed in the National Trails System Act as amended?

Question 3. Climate Change—I'm pleased to see the Agency's focus in this budget on making the nation's forests more resilient and resistant to climate change. America's natural resources provide tremendous ecosystem services and economic benefits

to communities across the nation-and safeguarding these resources from climate change directly protects key elements of our economy. Can you explain your plan for ensuring the Forest Service's budget invests in protecting key ecosystem services and job-creating activities from changing climates?

QUESTIONS FOR TOM TIDWELL FROM SENATOR LINCOLN

Question 1. Can you tell me the expected timber outputs for the Ouachita and Ozark-St. Francis National Forests in Arkansas under the proposed Integrated Resource Restoration program? As you know, these forests are extremely efficient in offering timber for sale. Will the Integrated Resource Restoration program include specific output targets for traditional multiple use commodities?

Question 2. How did the agency come to the conclusion that all projects implemented using National Forest Timber Management funds needed to generate a positive return to the treasury? Numerous other programs, including recreation programs, receive more in appropriations than they return in user fees. How does the use of Stewardship contracts resolve these issues?

Question 3. How many Stewardship contracts have you awarded in Arkansas? Were they Integrated Resource Service Contracts or Integrated Resource Timber Contracts? Did these contracts include convertible forest products including sawlogs, or were they entirely non-commercial in nature?

Question 4. You mentioned in your testimony that the Forest Service will still track outputs. I'm concerned that this implies you will not plan outputs for important programs such as timber, grazing, and recreational use. Will you? In regards to timber in particular, I think it is important for the agency to report accurately on the wood products it is producing. Would you support an effort to have the agency report on the percent of wood fiber sold which is convertible into traditional wood products such as lumber and paper, and that which is sold for biomass energy applications?

Question 5. I appreciate the efforts you've made to direct funding for Fiscal Year 2010 to the timber sale program on the Ouachita and Ozark-St. Francis National Forests. Can you report to me on how implementation of this spending is going at the forest level? Is the agency working to direct carry over and other available funds to these forests so that they can continue to perform at a high level?

Question 6. I appreciate the Administration's efforts to fund the Maumelle Water Excellence Project under the Forest Legacy program. Is the project high enough on the priority list to be assured of funding in Fiscal Year 2011?

Question 7. You mentioned how important it is to retain the forest products infrastructure to help defray the costs of forest management. I agree. I don't think you can succeed in retaining this infrastructure unless you have a plan in place to do so. Would you agree to work with me to ensure that the agency has a national plan in place that ensures that each unit of the National Forest System has a complete picture of the wood-using industry that is nearby and can help implement forest management on those forests?

Question 8. In today's hearing you stated more than once that you believe Stewardship Contracts were a better tool for the Ouachita National Forest than the timber sale contract. The forest sells 100 MMBF of sawtimber and pulpwood each year. It is one of 10 forests in the country, according to your staff, that were above costs in 2008-2009. Are you suggesting that in 2011 these type sales (vegetation management) should be part of a stewardship contract with few if any commercial sales using timber sale contracts?

Question 9. In your testimony, you stated that in 2011 you would move ahead with the integrated resource line item funding approach and that the target would be acres treated but you would also report MBF and other data. Since acres treated can be assigned to almost any activity will this further dilute accountability for responsible unit costs and providing wood essential to maintain mill infrastructure?

a.Will restoration plans be prepared on a landscape basis (10,000 to 50,000 acres) and then multiple stewardship contracts and/or timber sale contracts be awarded within the landscape?

b.Will the increased use of "best value" or "sole source" contracts increase shortages at some mills and over abundance at others?

Question 10. As the Chief of the Forest Service, do you believe your agency should manage the pine forests on the southern coastal plains to keep them healthy, prevent catastrophic beetle attacks, and meet the social and economic needs of the stakeholders?

Question 11. During your testimony, you frequently mentioned how the stewardship contract and integrated resource line item would help the agency. I am concerned that the agency perceives things differently than its customers. It is my un-

derstanding that most purchasers of your timber make subsequent marketing decisions which, in most cases, represent the margin between profit and loss on their sales. How do you see this program helping the loggers and mill owners who have substantial, multi-million dollar investments in machinery and equipment designed specifically to produce certain higher value products?

QUESTIONS FOR TOM TIDWELL FROM SENATOR SANDERS

Question 1. I am strongly supportive of the proposed budget's $5 million for the Community Wood Energy Program. I was joined by seven of my colleagues on a letter to the Administration seeking this funding, and I thank the Administration for including this means of assisting communities to develop biomass energy projects. Since this would be the first year the Community Wood Energy Program is to be funded, could you share the Forest Service's perspective on how it will work and how it will benefit communities, including rural communities, across the country?

Question 2. White-Nose Syndrome is a wildlife health crisis of grave concern to Vermont, the larger Northeast, and the nation. Vermont has lost at least 95 percent of its bats since White-Nose Syndrome was first observed within its borders, according to a recent article ("Bad news for bats: Deadly white-nose syndrome still spreading", Scientific American, February 20, 2010). Since the first known case occurred in 2006 in New York, confirmed cases of White-Nose Syndrome have shown up in ten states: Connecticut, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Tennessee, Vermont, Virginia, and West Virginia. Given the decimation of bat populations that we have seen in the past few years, it is highly likely that White-Nose Syndrome will continue to spread to some of the largest and most diverse bat colonies in the nation. If this happens, we risk the possibility of extinction of several bat species. We need discrete and dedicated federal funding available for combating White-Nose Syndrome and containing its spread so we can restore our bat population and maintain their vital function, such as insect control, which helps our forests and farms.

I, along with 12 other Senators and 12 Members of the House of Representatives, sent a letter to the Department seeking FY2010 funding for researching and eliminating the White-Nose Syndrome which is afflicting bats in the Northeast, Mid-Atlantic, most recently the South, and possibly elsewhere in the country. Congress did provide $1.9 million dollars for this for FY2010. I understand there are some existing Fish and Wildlife and US Geological Survey programs that may provide FY2011 funding for White-Nose Syndrome; however it is unclear how much discrete funding White-Nose Syndrome research and control will actually receive. What resources will be available in the FY2011 budget for cave ecosystem protection and research to combat White-Nose Syndrome?

QUESTIONS FOR TOM TIDWELL FROM SENATOR SHAHEEN

Question 1. I support the Administration's efforts for land conservation and its commitment to growing the Forest Legacy program, which is receiving a 32% increase from last year's appropriated levels. Last year, I led efforts with Senators Leahy, Snowe and Burr to support increased funding for important federal land conservations programs, such as the Land and Water Conservation Fund (LWCF) and the Forest Legacy Program.

The Forest Legacy program is very important to New Hampshire and I was pleased that two of our projects were included in the national priorities list. Do you plan to continue to grow the Forest Legacy Program in subsequent budget years?

Question 2. The Interagency Pass Program was created by the Federal Lands Recreation Enhancement Act and authorized by Congress in December 2004. This pass program was created to make it easier for the elderly and disabled to visit national parks and forests and it currently provides discounted use rates for seniors for activities on Forest Service lands. However, I was troubled to hear about a Forest Service proposal that would reduce of the discounts from 50% down to about 10% for programs and services operated by Forest Service. I have already heard from New Hampshire constituents on this matter and I am concerned about eliminating the opportunity for our senior and disabled citizens to enjoy our public lands at a more affordable rate. What is the current status with this proposal and what is the rationale for reducing the discount from 50% to 10%?

QUESTIONS FOR TOM TIDWELL FROM SENATOR MURKOWSKI

Tongass Retooling Aid—The Tongass, as recently as 2000, supported more than 3,000 timber jobs. Now, a generous estimate is that the industry is supporting about 400 jobs given all the delays in timber sales resulting from appeals, suits and

changes in forest plans. To help maintain employment, last year I introduced a Tongass Timber Retooling and Restructuring Act to help timber-dependent businesses retool to either enter new economic activities not dependent on timber, or to change their processes to produce products and services dependent on less timber or smaller-growth timber. Unfortunately the bill has not come up for a hearing in another committee in the Senate.

Question 1. Since the goal of the bill seems in keeping with the Forest Service's pending "transition plan" for Tongass activities, can the Forest Service utilize the Department of Agriculture's Rural Development Administration to make loans to businesses to help them retool to use less timber or to enter new economic fields?

There is an urgent need for economic assistance to save many of the remaining timber jobs in the region. I know at least four firms have submitted proposals seeking such aid from the Forest Service/ RDA.

Question 2. Can you tell the status of your consideration of the requests and the timetable for potential assistance, if there is any willingness to grant such aid?

Tongass Futures Roundtable—From a conversation we had late last year I know you hope, as do I, that the Tongass Futures Roundtable, consisting of environmental, business and a wide assortment of business leaders in the region will be able to reach consensus on a plan to make enough timber available either under the federal or state system to fuel a viable industry, while also selecting more lands for protection and restoration in the forest.

The Roundtable, however, has met for three years and outside of supporting the Timber Retooling bill and beach fringe thinning plans, it has yet to reach agreement on a broader plan.

Even if the roundtable were to reach agreement tomorrow, it would take considerable time for Congress to review and implement any such major revision to Tongass land policies, at least based on the time it took to pass and implement the Alaska lands act in 1980 that created more than 5 million acres of protected lands in the Tongass, and the Tongass Timber Reform Act of 1990 that hiked that number considerably.

Question 3. What does the Forest Service intend to do to keep an industry alive long enough for Roundtable recommendations to perhaps aid it?

Roadless Policy—I appreciate your commitment to defend the Tongass Roadless settlement and desire to develop a way to address roadless on a local level.

Question 4. Since the Tongass Roadless settlement was worked out in an Alaska court and memorialized in the Tongass Land Management Plan which was worked out at the local level (also agreed to by the courts), is there any reason for me to worry that the people of the Tongass have anymore reason to worry than say the people of Idaho who worked out Roadless in that state?

Question 5. Can you assure me that the Secretary of Agriculture will honor the commitment that you made during your testimony at the February 24th Energy and Natural Resource hearing?

Roadless Lawsuit—I also appreciate your commitment to defend the Tongass Roadless court settlement.

Question 6. Can you check to make sure that the Department of Agriculture, the Department of Justice, and the White House will also make a similar commitment to me?

Commercial Timber Sales vs. Stewardship Sales—Forest Service staff have repeatedly communicated during Senate staff briefings, that only those timber sales that will return more revenue than they cost will be developed. In the 1990's those sales were called "below-cost" timber sales.

Question 7. Am I correct in my understanding that this budget proposes to end the use of commercial timber sales that do not return more revenue than they cost to plan, prepare, and sell?

Question 8. Should we expect that you will hold other contracts, such as stewardship timber contracts to that same standard?

Question 9. Can you provide the Committee a list of every stewardship contract implemented over the last five years that returned more revenue receipts to the Treasury than they cost the Forest Service to plan, prepare and sell?

The preparation of a Stewardship Contract by its very nature takes a considerable amount of time and funding that is not charged against the cost of accomplishing the non-timber work when the Forest Service balances the cost of projects against the value of the timber to be removed.

Question 10. Would you provide me with a detailed accounting of the agency's costs to develop, prepare, appraise, offer and administer the White Mountain Stewardship Contract on the Apache-Sitgreaves National Forest?

Question 11. Will you provide me with a detailed description of the monetary and non-monetary benefits of that stewardship contract?

Question 12. Can you also provide me a timeline of how long each of the following steps took to accomplish: public consultation, NEPA, sale preparation, contract preparation, and award?

Question 13. It is my understanding that the Forest Service is considering terminating the White Mountain Stewardship Contract because contract costs have escalated too high. What is the situation with that contract?

Question 14. Am I correct in my recollection that the Forest Service had to self-fund a million dollar bond to cover its liability in the event the agency defaulted that contract?

Question 15. Was that cost considered as part of the balance of costs and revenues? How would your ″no below-cost″ criteria allow for that to happen on future stewardship contracts?

Question 16. You have indicated that you will use commercial timber sale contracts if they are above-cost. Can you help us understand what criteria the Washington Office will use to consider a commercial timber sale request in an out-year budget from a "below-cost" forest? It would seem to me that it would be impossible for those forests to provide any assurance the sale will be above-cost by the end of the convoluted process you have and are putting in place. How will that work exactly?

Question 17. In 2005 and 2006 your staff prepared a budget analysis on the cost and revenues of each major resource program in the Forest Service. Then Budget Director Lenise Lago delivered a very detailed report in a very short time. Would you have your staff update that report to include FY 2009 and FY 2010?

The Forest Service web-site on stewardship contracting includes the following statement about stewardship contracting: Does stewardship contracting replace the commercial timber sale program?

No. Stewardship contracting is not a program, but a tool for the contracting toolbox to accomplish work on the land as part of the Healthy Forests Initiative and to achieve broad land management goals.

Question 18. Given this budget proposal (including the defunding of road construction and road reconstruction); is your web-site statements on stewardship contracting still accurate?

FLAME—Last year Congress authorized the agency to develop a FLAME account to pay for the 3% of the fires that result in 95% of the fire suppression costs the agency has testified to for the last decade.

Question 19. Chief do you believe that constitutionally the job of the Administration is to implement the laws that Congress passes?

Question 20. Can you help me understand why the Forest Service has chosen to ignore the FLAME Act that was passed last year and continues to propose a separate reserve account to pay for fire fighting?

Question 21. Do you continue to believe that 3% of the fires cause 90 to 95% of the agency's fire suppression costs?

Question 22. Can you provide me an explanation of why you have not requested that 90 to 95% of the requested fire suppression funding within the FLAME account?

Question 23. Given the budget you have proposed for FY 2011; what will happen if you experience another $2 billion fire season?

Aircraft Modernization—The missing, long awaited Aviation Plan for Replacing the Existing contract heavy aircraft firefighting fleet: In late FY 2009 the Office of Inspector General (OIG) issued a report on the agency's plans to modernize its firefighting aircraft, particularly its air tanker fleet. This report contained nine recommendations; the Forest Service has completed actions on one and is taking actions on the other eight.

Question 24. What are the most important criteria by which you will judge a new, modern platform?

Question 25. How will you make the decision to contract new platforms?

Question 26. Who will have the final decision on what air tankers are approved for contract and what is that decision based upon?

Question 27. Assuming airworthiness of any new platform is the most important criteria for approving a new platform, does the Forest Service have an ″engineer of record″ who can certify airworthiness has been met?

Question 28. Given the current realities of constrained budgets, possibly even flat budgets, does the foreseeable horizon mean that modernization of equipment including heavy air tankers and acquisition of new equipment must also meet cost-containment or even cost-reduction goals?

Question 29. The Forest Service should promote a modernization of the fleet of aircraft to increase efficiency and cost-effectiveness, do you agree?

Question 30. If vendors offer to modernize their fleet with newer, more efficient equipment, and maintain them in the future with sufficient capital investment, would the Forest Service reject that approach?

Question 31. Isn't some redundancy in the aerial firefighting fleet prudent to avoid a fleet-wide shutdown if uniform aircraft type is found to be deficient for any reason?

Question 32. If it is, than why is the agency hell-bent on driving the existing aircraft out of existence and hell-bent on the C-130J-only approach to resolving this problem?

Question 33. Given that a more agile and modern tanker fleet is essential to meeting strategic wild land firefighting needs, is there an increasing need for rapid and load efficient aerial responses to fires?

Question 34. Do you believe a new, modern platform aircraft should be able to operate from nearly any size airfield, allowing them to operate anywhere in the US?

Question 35. Can you assure me that the C-130J can operate out of every one of the airfields currently utilized by the Forest Service and BLM for aerial delivery of slurry?

Question 36. If airfield flexibility is an important component to a strategic aerial response, shouldn't the Forest Service include that in its consideration of maintaining fleet diversity?

Question 37. In assessing efficiency and cost-effectiveness, do you look at retardant delivery cost/flight of the equipment?

Question 38. The large airtanker strategy report that the Forest Service has been working on for years was supposed to be submitted to Congress 60 days after enactment of the FY 2010 Interior and Related Agencies Appropriations Act. It is overdue. Where exactly is the report today and what date will you personally commit to the Committee that it will be provided to us?

Question 39. The current fleet of large airtankers is aging rapidly. The Department's Office of Inspector noted last summer that individual aircraft will need to be retired for safety reasons within a few years. Do you agree with that assessment?

Question 40. Can you provide the Committee with the figures of the remaining operational service life of each of the large airtankers currently in the fleet? Please also provide an estimate of the number of years each aircraft could operate base on the five year average use data for each aircraft.

Question 41. In 2004, the Forest Service grounded the large airtanker fleet for half of the fire season to develop better safety protocols. Backfilling with helitankers and heavy lift type 1 helicopters added $80 million to that season's aviation costs. If you reconfigure your current fleet to use these types of helicopters after the large airtankers are retired, how much would that approach add to your annual aviation costs?

Question 42. The large airtankers are primarily an initial attack resource. Eighty-five percent of your annual fire suppression expenses are consumed by the roughly 2% of the fires that escape initial attack and become expensive, large incident fires. Without large airtankers how would your initial attack success rate change?

Question 43. Based upon the cost figures from the past several fire seasons, it appears that every 0.1% improvement in initial attack success rate would save about $110-120 million in suppression expenses. Does that sound about right to you?

United States Dependence on foreign mineral suppliers— On February 18th the Lands Letter reported that the United States Geological Survey reported: "The United States deepened its dependence on foreign sources of minerals in 2009, continuing a 30-year trend that some fear will only worsen as mining approvals in the West continue to be delayed. Meanwhile, the value of domestic mineral production declined by 20 percent in 2009, while the value of products domestically refined and processed from those minerals dropped by 25 percent, according to a report released this week by the U.S. Geological Survey".

Question 44. Chief—the National Forests and Grasslands contain significant reserves of minerals, as well as oil and gas; are you concerned about this trend? And if so, what are you going to do to streamline mineral development within the National Forests and Grasslands?

Land Acquisition—The proposed budget includes a proposal to increase the land acquisition budget by 16% over the FY 2010 level and 48% over the FY 2009 appropriated level.

Question 45. Chief - do you believe the Forest Service's maintenance backlog has been completely eliminated as a result of the Stimulus funding your agency received last year?

Question 46. Can you give me a good reason that Congress should provide you a single dollar more than what was funding in FY 2009 for land acquisition until the maintenance backlog has been completely eliminated?

Commercial Timber Sales vs. Stewardship Sales

Question 47. Your staff has suggested there are approximately 15 forests that are "above cost forests." Can you provide me a list of those forests?

Question 48. If this budget proposal is accepted by Congress, how would you allocate funds from the new Integrated Resource Restoration budget line item to forests that are "below-cost" forests that believe they have an "above-cost" sale they may want to offer?

Question 49. What are the criteria that you will use to describe your accomplishments under this Integrated Resource Restoration budget line item?

Tongass Transition Plan—I have been in contact with Jay Jensen, the Deputy Under Secretary of Agriculture who oversees the Forest Service, and I gather that the Forest Service is working to craft a "transition plan" that will revise the current Tongass Land Management Plan to reduce old growth logging and promote timber harvest of small diameter trees from existing stands and second-growth areas.

Question 50. How will it square with the requirements of the Tongass Timber Reform Act, a statute that requires the Forest Service to make enough timber available for harvest in the Tongass to meet "market demand"?

Human Resources—In 2002 the Forest Service proposed to move most of the agency's human resources personnel to a National Service Center in Albuquerque, NM. Now we see that you have cancelled some of the early-out retirements that were being offered to the few remaining Human Resource specialists that had not yet moved to Albuquerque and there are rumors that you will not release the FY 2009 carry-over funds back to the originating units so that you can pay for moving your Human resources specialists out of Albuquerque and back to the forests and regional offices from where they came.

Question 51. If such a plan is in the making, when will this happen?

Question 52. How much is this going to cost to accomplish?

Question 53. Isn't holding on to carry-over funding for a purpose other than what those funds were originally appropriated a breech of budget protocol? Will you be requesting a budget reprogramming to accomplish this?

Question 53a. The decision to centralize HR functions must have been made in response to problems that were inherent in the previous, decentralized system. What specifically were those problems, and why are they no longer a concern? Please be specific because if you don't convince me that you are familiar with those underlying problems, you will leave me with little confidence that they won't recur.

Question 54. In fact, problems with the old system were documented in numerous Forest Service studies and evaluations. As I understand it, some of the major problems with the previous, decentralized system was that different regions were classifying the same or similar positions differently, resulting in employees receiving different levels of compensation for the same job. Also, disciplinary practices differed from region to region, so that such practices were applied inequitably. How will you assure that these situations won't reoccur?

Question 55. The decision to centralize HR functions was preceded by studies that were shared with the Congress as the agency sought to justify this approach. No such studies have been presented to the Committee to justify going back to a decentralized approach. Where are they?

Question 56. If the Agency returns to decentralized HR functions, numerous Forest Service employees will need to be trained annually to provide these functions. What is your estimate of the annual cost of such training, and how will it differ from your current training costs in this area?

Question 57. What will the Forest Service do with the space currently occupied by the HR employees in the Albuquerque Service Center? If your current lease will need to be modified, what will be the cost to the government?

Question 58. he most common complaint lodged against the Albuquerque Service Center is that common and easy HR functions (eg, Hiring) take too long. That is different than taking the necessary time to get the complicated and broadscale issues (eg, job classifications) right. Have you looked at an option that returns the

easier, less specialized functions to the field, keeping the more complex functions under the centralized purview of HR specialists?

Question 59. I am concerned that such a re-organization could delay the processing of the many EEO and civil rights complaints currently languishing in Albuquerque. Would you provide the Committee a list of each such complaint which shows in general terms the type of complaint it is and how long it as been since the complaint was filed. And then a second list with the same information that show the number of complaints that were in process for the five years before HR was first moved to the Service Center.

Question 60. The agency has agreements with the Bureau of Land Management for some programs like the Joint Fire Science Program that carry-over funds must go back to the joint fire science program for redistribution or to pay for the projects that were awarded but not yet completed. Will you commit to me that you will order your Budget Director to return the carry-over funds back to the joint fire science program immediately?

Joint Fire Science Program—Congress has appropriated approximately $8 million per year to the Forest Service and $6 to $8 million per year to the Bureau of Land Management to allow the two agencies to undertake cooperative research on fire.

Question 61. At present the BLM has 3 employees stationed in Boise, Idaho that it funds to help run the program and the Forest Service has but one employee that it funds for that program. Given that the Forest Service gets more funding, why does it only have one employee in Boise it is willing to pay for?

In 2005 the Chief made a number of commitments to the Bureau of Land Management in a letter to that agency regarding the Joint Fire Science Program that appear to not have been fully carried out.

Question 62. Have you and are you still providing quarterly updates that account for each joint fire project that has been awarded to the Forest Service? If so, please provide the Committee with copies of those quarterly reports.

Question 63. That letter said the Chief understands the multi-year nature of the Joint Fire Science program and "will make every effort to respect the Joint Fire Science Board on carry-over for these multi-year projects". You have had your budget since November 2009 for Fiscal Year 2010 why have the research joint fire science carry-over funds not been released?

Question 64. The letter indicated that the Washington Office Research and Development group will coordinate with the Regions, Stations, and Areas to verify the carryover for each project and ensure the carryover list is highlighted to Washington Office Program and Budget Analysis staff for the purpose of ensuring steps are taken to re-allocate the Joint Fire Science Program carry-over funds and to get them distributed in a timely manner. Given the near 5 month lag in getting this done, would you please explain what the Chief meant by "timely"?

Question 65. Given the apparent lack of interest in this program, displayed through the Forest Service's unwillingness to help track the funds and manage the reporting of these funds, is there any reason this program, and its funding, shouldn't be handed over to the Bureau of Land Management?

Montana Roadless Area Management—As Regional Forester you made the decision to manage all Roadless Areas in Region One as if they are wilderness until such time as Congress directs otherwise.

Question 66. s there any truth to the rumor that you may direct that policy be applied in all regions?

Question 67. Given that many of these areas now contain roads that are used by the public and also by federal fire fighters; are you not concerned that your Region One Roadless Area management policy will negatively impact your agency's ability to effectively carry-out initial attack of fires on those lands?

Question 68. Can you provide me with a legal white paper which describes the law or regulation in which you based your Region One Roadless area management policy?

Montana Wilderness Bill—Our Committee is currently negotiating the Montana Forest Jobs and Recreation Act and representatives of the Forest Service Washington Office and Region One's wilderness teams have participated in those meetings. The Decision Notice for the Beaverhead-Deerlodge National Forest states: "Tom Tidwell, the Regional Forester for the Northern Region, signed the Record of Decision (ROD) choosing Modified Alternative Six in the corrected Final Environmental Impact Statement as the Revised Land and Resource Management Plan for the Beaverhead-Deerlodge National Forest on January 14, 2009."

That plan indicates that the West Pioneer area are not recommended for Wilderness. Yet, Senator Testor's bill proposes Wilderness status for that area (totaling approximately 25,000 acres).

During a recent meeting your staff recommended enlarging the 25,000 acres proposed Wilderness in that area in the Tester bill to approximately 50,000 acres, despite the Record of Decision that you signed recommending the area does not qualify as Wilderness.

Question 69. Chief, how much did it cost the agency to complete the Beaverhead-Deerlodge National Forest Plan Revision?

Question 70. Can you give me one good reason why your staff would have expressly recommended additional Wilderness in an area that the forest plan that you signed says does not qualify as Wilderness?

Question 71. If the employees that you supervise think so little of the Forest plan that you signed, why should we provide the agency you oversee a single dime for the forest planning efforts you seek to have Congress fund?

Question 72. What is the shelf-life of the forest plans that you are currently working to complete? Are they good for 6 months? Or a year? Or are they not worth the paper they are written on?

Above-Cost Forests—In your statement at the hearing, you affirmed that you will only use the commercial timber sale contract tool on sales that are "above-cost".

Question 73. Would you provide me a list of which forests where above cost in terms of their forest products programs in each of the following years: 1988, 1998; 2008 and 2009?

Question 74. Would you provide me a list (number of sales and volume sold) of the above cost timber sales on those forests that are considered to be "below-cost" forests for FY 2008, 2009, and 2010?

Question 75. Would you provide me with your reasons for wanting to impose the below-cost criteria on the commercial timber sale program, but not on any of the other programs carried out by the Forest Service?

Question 76. When was the last fiscal year that the Forest Service returned more revenue to the Treasury than it cost to operate?

Question 77. In 2012, the counties will receive there last Secure Rural Schools payments. The payment history for the 25% payment program shows that commercial timber sales generated up to 97% of all payments made under that program in the 1960's, 1970,s and most of the 1980's. By law Stewardship Contracts do not have to share gross or net receipts with the counties. How do you think the county commissioners will react to a no commercial timber sale policy by your agency?

Rain Forest Aerial Trams Alaska, Inc: We have a constituent letter from the Rain Forest Aerial Trams Alaska, Inc. Saying they gave the forest $41,176 on or around September 2, 2007 to pay the Forest Service to complete an EA on their requested permit and to date neither the EA nor the permit have been forthcoming.

Question 78. Can you look into this and advise me of the status? I need to know if they really gave the FS the money, what they were advised the time-line might be to complete the work, and where in the process the EA and or permit are?

Question 79. Additionally, it is my understanding that the permit they are requesting falls within a Roadless Area. Please explain to me, given the Secretary of Agriculture's policy on development in any Roadless Area why an EA is sufficient and whether you will treat recreations projects in the same manner you seem to be treating timber projects in these areas?

QUESTIONS FOR TOM TIDWELL FROM SENATOR BARRASSO

Question 1. In Fiscal Year 2010, Secretary Vilsack allocated $40 million to the Rocky Mountain Region to combat the devastating effects of bark beetles. $10 million of that funding came from the region's normal budget. $30 million of that funding were added to the region's budget allocation. This was a welcome and necessary step toward meeting our region's needs during this unprecedented natural disaster. However, I do not see a budget allocation for the Rocky Mountain Region's disaster mitigation for next year. How is U.S. Forest Service going to make resources available to protect the people of Colorado, Wyoming and South Dakota from the effects of bark beetles?

Question 2. I recognize that some competitive programs for forest restoration are available. However, these funds are not committed to any one purpose or region. The Forest Service' own experts projected that it would require $45 million in fiscal year 2010 and $55 million in fiscal year 2011to mitigate bark beetle effects in Region 2. How is the agency going to guarantee that this level of funding is provided?

Question 3. I am also concerned about the distribution of funds for bark beetle mitigation. I read in the USFS press release at there are 3.6 million acres of bark beetle infestation in Colorado. But I noticed that no one talked about the 3.4 million acres of infestation in Wyoming. And no one talked about Colorado receiving $30 million of the funding for bark beetle mitigation, when Wyoming only received $8 million. I understand that Colorado may have more roads to clear, and that there could be some discrepancy there. However, Wyoming's watersheds, recreation, and wildfire needs are no less than our neighbors to the south. If these two states have nearly equal affected acreage, why is your agency's strategy for addressing infestation not equitable?

Question 4. Sawmills are dwindling in the American West. There is only one left in Wyoming. America and rural communities across the West cannot afford to lose any of these business. Your agency will be without management partners during a forest health crisis. How is the Administration promoting the health of the forest products industry?

a. How are you supporting your partners during these tough times?

Question 5. You have proposed that nearly all timber harvest be facilitated through stewardship contracts, rather than timber sales. I am concerned that this new proposal ignores business conditions for the sawmills operating in today's economic climate. The industry is hard-hit by the recession and increasingly tight lumber markets. Raising capital to change sawmill capacity and operations during this economic downturn could cripple small businesses. The Administration may have changed in Washington, but the reality of the forest products industry remains. How will your proposal for Integrated Resource Restoration to promote the success of sawmills we have in operation today?

Question 6. The Forest Service budget proposal would eliminate funds for constructing or upgrading roads. How do you expect to meet the President's goals for renewable energy generation and transmission if you cannot access new lands to construct windmills or powerlines?

a. Should we assume that your agency plans to refuse all renewable energy development?

QUESTIONS FOR TOM TIDWELL FROM SENATOR MCCAIN

Question 1. Stewardship contracts are a crucial tool to the Forest Service to accomplish effective, quality forest restoration in partnership with industry that can spur industry investment and create rural economic opportunities. Specifically these contracts are attractive because they offer industry some certainty of supply, enabling investment in costly wood processing infrastructure. But such contracts require a substantial obligation of funds to protect the contractor's investment if the government later cancels and rarely, if ever, is the value of the timber removed sufficient to pay for the work. Both of these financial challenges are particularly stark in the southwest where the current state of the wood-based industry is one that is nearly extinct and few suitable markets exist for the small-diameter wood, the primary by-product of restoration. The Forest Service budget calls for more stewardship contracts. Please explain how the Forest Service will address these financial challenges associated with Stewardship contracts going forward, particularly as they apply in the southwest.

Question 2. Arizona is the home of the White Mountain Stewardship Contract, the only active long-term (10-year) US Forest Service stewardship contract - and the first of its kind in the United States. This contract has seen nearly 100,000 acres of NEPA work completed with no lawsuits and restoration thinning costs have been cut in half. The contract has generated over 450 new full-time jobs, and is helping build back a severely depressed rural regional economy. Despite these successes and the Forest Service emphasis on stewardship contracts, it has been reported that the Forest Service is not planning to fully implement the contract in FY 2011. Is this true? What are the Forest Service's plans and budget regarding the White Mountain Stewardship Contract in FY 2011?

QUESTIONS FOR TOM TIDWELL FROM SENATOR SESSIONS

Question 1. Why is the S&PF Cooperative Fire Protection and Wild land Fire Management - State Fire Assistance reduced by $25.04 million from the FY 2010 Enacted Budget?

Question 2. Why is the Forest Legacy Program increased by over 30% while other programs that serve thousands of non-industrial private landowners are flat to lower than the FY 2010 budget? As an example, the Alabama Forestry Commission receives about $400,000 annually (requires a 50/50 match) to assist forest land-

owners with the management of their forest. There are over 400,000 forest landowners in the state, the current funding falls short of the states need.

Question 3. With the emphasis and importance on Forest Health, why is funding being cut by over $7 million?

QUESTIONS FOR TOM TIDWELL FROM SENATOR LINCOLN

Question 1. Can you tell me the expected timber outputs for the Ouachita and Ozark-St. Francis National Forests in Arkansas under the proposed Integrated Resource Restoration program? As you know, these forests are extremely efficient in offering timber for sale. Will the Integrated Resource Restoration program include specific output targets for traditional multiple use commodities?

Question 2. How did the agency come to the conclusion that all projects implemented using National Forest Timber Management funds needed to generate a positive return to the treasury? Numerous other programs, including recreation programs, receive more in appropriations than they return in user fees. How does the use of Stewardship contracts resolve these issues?

Question 3. How many Stewardship contracts have you awarded in Arkansas? Were they Integrated Resource Service Contracts or Integrated Resource Timber Contracts? Did these contracts include convertible forest products including sawlogs, or were they entirely non-commercial in nature?

Question 4. You mentioned in your testimony that the Forest Service will still track outputs. I'm concerned that this implies you will not plan outputs for important programs such as timber, grazing, and recreational use. Will you? In regards to timber in particular, I think it is important for the agency to report accurately on the wood products it is producing. Would you support an effort to have the agency report on the percent of wood fiber sold which is convertible into traditional wood products such as lumber and paper, and that which is sold for biomass energy applications?

Question 5. I appreciate the efforts you've made to direct funding for Fiscal Year 2010 to the timber sale program on the Ouachita and Ozark-St. Francis National Forests. Can you report to me on how implementation of this spending is going at the forest level? Is the agency working to direct carry over and other available funds to these forests so that they can continue to perform at a high level?

Question 6. I appreciate the Administration's efforts to fund the Maumelle Water Excellence Project under the Forest Legacy program. Is the project high enough on the priority list to be assured of funding in Fiscal Year 2011?

Question 7. You mentioned how important it is to retain the forest products infrastructure to help defray the costs of forest management. I agree. I don't think you can succeed in retaining this infrastructure unless you have a plan in place to do so. Would you agree to work with me to ensure that the agency has a national plan in place that ensures that each unit of the National Forest System has a complete picture of the wood-using industry that is nearby and can help implement forest management on those forests?

Question 8. In today's hearing you stated more than once that you believe Stewardship Contracts were a better tool for the Ouachita National Forest than the timber sale contract. The forest sells 100 MMBF of sawtimber and pulpwood each year. It is one of 10 forests in the country, according to your staff, that were above costs in 2008-2009. Are you suggesting that in 2011 these type sales (vegetation management) should be part of a stewardship contract with few if any commercial sales using timber sale contracts?

Question 9. In your testimony, you stated that in 2011 you would move ahead with the integrated resource line item funding approach and that the target would be acres treated but you would also report MBF and other data. Since acres treated can be assigned to almost any activity will this further dilute accountability for responsible unit costs and providing wood essential to maintain mill infrastructure?

a.Will restoration plans be prepared on a landscape basis (10,000 to 50,000 acres) and then multiple stewardship contracts and/or timber sale contracts be awarded within the landscape?

b.Will the increased use of "best value" or "sole source" contracts increase shortages at some mills and over abundance at others?

Question 10. As the Chief of the Forest Service, do you believe your agency should manage the pine forests on the southern coastal plains to keep them healthy, prevent catastrophic beetle attacks, and meet the social and economic needs of the stakeholders?

Question 11. During your testimony, you frequently mentioned how the stewardship contract and integrated resource line item would help the agency. I am con-

cerned that the agency perceives things differently than its customers. It is my understanding that most purchasers of your timber make subsequent marketing decisions which, in most cases, represent the margin between profit and loss on their sales. How do you see this program helping the loggers and mill owners who have substantial, multi-million dollar investments in machinery and equipment designed specifically to produce certain higher value products?

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