

THE U.S. FOREST SERVICE CENTENNIAL

HEARING

BEFORE THE

COMMITTEE ON AGRICULTURE HOUSE OF REPRESENTATIVES

ONE HUNDRED NINTH CONGRESS

FIRST SESSION

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JUNE 22, 2005
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THE U.S. FOREST SERVICE CENTENNIAL

WEDNESDAY, JUNE 22, 2005

HOUSE OF REPRESENTATIVES,
COMMITTEE ON AGRICULTURE,
Washington, DC.

The committee met, pursuant to call, at 10:06 a.m., in room 1300 of the Longworth House Office Building, Hon. Bob Goodlatte (chairman of the committee) presiding.

Members present: Representatives Moran, Jenkins, Gutknecht, Johnson, Osborne, King, Neugebauer, Boustany, Kuhl, Foxx, Peterson, Holden, Etheridge, Baca, Butterfield, Cuellar, Melancon, Costa, Barrow, Davis, and Chandler.

Staff present: William E. O'Conner, Jr, staff director; Bill Imbergamo, Ben Anderson, Jennifer Daulby, Callista Gingrich, clerk; Lindsey Correa, Rob Larew and Tony Jackson.

OPENING STATEMENT OF HON. BOB GOODLATTE, A REPRESENTATIVE IN CONGRESS FROM THE COMMONWEALTH OF VIRGINIA

The CHAIRMAN. Good morning. This hearing of the House Committee on Agriculture to review the centennial of the U.S. Forest Service will come to order.

This morning we have an unique opportunity to look back on policy choices made a century ago and reflect on how well we have taken care of the legacy left us by the fathers of forest conservation. President Teddy Roosevelt and our Nation's first Chief of the Forest Service, Gifford Pinchot, were keenly aware that they were helping to shape a forest inheritance that would endure and, they hoped, contribute significantly to the country.

On July 1, 1905, the Bureau of Forestry completed its transition into the Department of Agriculture and was renamed the USDA Forest Service. Gifford Pinchot was named its first Chief. Pinchot was a visionary, and his vision was clear on two points.

First, he believed firmly that the objective of forest conservation was to benefit mankind. He noted that "Conservation is foresighted utilization, preservation and/or renewal of forests, waters, lands and minerals for the greatest good of the greatest number for the longest time."

Second, Pinchot realized that conservation involves policymakers taking responsibility for the policies they create, noting that "the vast possibilities of our great future will become realities only if we make ourselves responsible for that future."

As the Agency's first Chief, Pinchot stressed that his foresters were to make their choices with an eye towards the greatest good,

and to do so with the greatest efficiency. His simple focus set the tone for an institution that quickly became known as a “can do” Agency. The National Forest System grew rapidly at first, from 56 million acres to 172 million acres by the time Pinchot left the Agency in 1910.

The Agency took on additional roles in the ensuing years; with the passage of the Weeks Act in 1911 the Forest Service began acquiring tax forfeited lands in the eastern United States which have become our Eastern National Forests. In 1924, the Forest Service took on the responsibility of working with our Nation’s private forest landowners to promote conservation on private lands. Over the years, the Agency has also taken on an important role as a leader in the forestry and forest products research.

In 1960, Congress passed the Multiple Use Sustained Yield Act, reaffirming the goal of managing our national forests for multiple objectives, including production of timber and provision of grazing.

The laws of the 1960’s and 1970’s presented the Agency with new challenges; to more thoroughly analyze potential outcomes, more thoroughly engage the public in the planning process, and to conserve both wild places and wild animals. While the multiple use mandate has always created inherent tensions among users of public lands, laws such as the National Environmental Policy Act and the Wilderness Act have sharpened these conflicts and made them legal, rather than philosophical, questions. The resulting legal disputes have worked their way through our court system up to and including the Supreme Court, and in the process have reinterpreted the laws we have passed.

While conflict is a natural result of the Forest Service’s multiple use mandate, it should not be the only result. As I noted when the House passed the Healthy Forests Restoration Act,

Our forest management laws, environmental laws, and procedural laws do not work well together. They create a process that only highly trained legal minds can comprehend, and while claiming to encourage citizen participation, they often achieve just the opposite.

So we stand at the centennial mark for an Agency with a proud conservation heritage, and ask ourselves how well we have followed Pinchot’s two principles; have we managed our public forests for the greatest good for the greatest number for the longest time? Have we taken responsibility for the future of conservation?

Starting tomorrow, the Forest Service’s century of conservation will be celebrated during the Smithsonian Institutions’ National Folk Life Festival. As the Agency enters its second century, I will introduce today, along with Ranking Member Peterson and others, a House resolution to mark this year as its official centennial. The resolution recognizes the Forest Service of the Department of Agriculture for 100 years of dedicated service and caring for the Nation’s forests; and acknowledges the promise of the Forest Service to continue to care for our natural legacy; and encourages the Forest Service to deliver multiple use benefits efficiently as the Agency enters its second century.

That will be a great challenge. The Chief has just presented me with a copy of the rules and the regulations and instruction for the use of the national forest reserves. When the Department was created, the Agency was created July 1, 1905. It is all of 130-some

pages. Today, you could fill rooms with the regulations and court decisions and so on that the Department has to operate under and the Forest Service has to operate under. The ranking member said, would that we could get back to something as basic and simple as that. That, I think, should be part of our objective, but in any event, recognizing that heritage that was given to us at the outset and working to achieve responsible legislation that puts us on a target to meet Gifford Pinchot's goals of 100 years ago, worthy goals of this committee and of the Agency.

Today, we have the distinct pleasure of hearing from Pinchot's successor as Chief, Dale Bosworth, who is serving as Chief in this centennial year. Following the Chief, we will hear from three distinguished leaders in forest conservation. I have asked each of you here to reflect on the last century, and provide us with your views on how the Forest Service can continue its conservation leadership in the next.

At this time, it is my pleasure to recognize the ranking member of the committee, the gentleman from Minnesota, Mr. Peterson.

OPENING STATEMENT OF HON. COLLIN C. PETERSON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MINNESOTA

Mr. PETERSON. Thank you, Mr. Chairman. I would like to take this opportunity to commend you for holding this hearing today to mark the 100 year anniversary of the creation of the U.S. Forest Service.

Now, when the Congress established the Forest Service in 1905, it did so, as you said, with the intention that the Agency should provide quality water and timber for the Nation's benefit. Over the last 100 years, the mission of the Agency has been expanded to provide for additional multiple use benefits of the national forests, including sustained yield of renewable resources such as water, forage, wildlife, wood, and recreation.

The U.S. Forest Service is the largest forestry organization in the world. It is responsible for the management of public lands, known collectively as the National Forest System, and these lands comprise 8½ percent of the land area of the United States, and they are located in 44 States, Puerto Rico, and the Virgin Islands. In total, there are 155 national forests and 20 grasslands. I look forward to hearing from the witnesses today and hear them talk about where the Forest Service has been, where it is presently, and where it sees itself going in the future.

Now, Mr. Chairman, again I thank you for holding this hearing and look forward to hearing from the witnesses.

The CHAIRMAN. I thank the gentleman.

The chair recognizes the gentleman from Minnesota, the chairman of the Forestry Subcommittee, Mr. Gutknecht.

OPENING STATEMENT OF HON. GIL GUTKNECHT, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MINNESOTA

Mr. GUTKNECHT. Thank you, Mr. Chairman. I also want to thank you for having this hearing.

I think, even among some of my constituents, they are surprised to learn, sometimes, that the national forests are actually managed by the U.S. Department of Agriculture, and I think that is important and we need to at least remind ourselves and our constituents that, for many, many years, the Federal Government has regarded trees as crops. And the question, I think, before this committee and ultimately before the administration is how well we do in terms of managing those crops. And we hope to hear more today, but I can assure that we are going to do all we can to make certain that we provide the kind of oversight that will encourage the folks at USDA to do the best job possible of managing this very valuable national resource, and I again thank you for having this hearing.

The CHAIRMAN. I thank the gentleman.

We are now pleased to welcome Mr. Dale Bosworth, Chief of the Forest Service, the U.S. Department of Agriculture. Chief, we are pleased to have you with us again and look forward to your testimony. Your complete statement will be made a part of the record.

STATEMENT OF DALE N. BOSWORTH, CHIEF, FOREST SERVICE, U.S. DEPARTMENT OF AGRICULTURE

Mr. BOSWORTH. Well, thank you, Mr. Chairman, and I will just summarize my statement. I do appreciate the committee holding this hearing, and I would like thank you, Mr. Chairman and the members of the committee for inviting me here. I think the occasion of our centennial does give us an opportunity to look to the past and reflect on our history, but probably more importantly, to have an eye to the future, in terms of looking at where we ought to be going over the next 100 years.

But first I would like to just say that I am particularly proud of our Forest Service employees and the Forest Service retirees, the many Forest Service retirees, that are still out there helping the Forest Service achieve our mission. And we are proud of what we have accomplished over the years, but probably prouder of what the Nation has accomplished, as we set in place an ethic of conservation of natural resources in this country, and it is on this ethic that we have based our Forest Service mission. And I would like to just state what our Forest Service mission is. Our mission is to sustain the health, diversity, and productivity of the Nation's forests and grasslands to meet the needs of present and future generations. And we often shorten that up by saying caring for the land and serving people.

Now, that mission statement is inherently ambiguous, and that is probably good because it does provide us the flexibility that we need to adjust to changing times, to adjust to changing social values, to changes on the landscape, and I think that our Forest Service history bears that out.

If you go back to the early beginnings, even before the Forest Service was formed, in the late 1880's, that was a time of pretty much unrestrained exploitation of our natural resources. The result was many wildfires that ravaged communities and ravaged forests. We had floods that wiped out rivers. Species like elk were almost extinct. And then, in 1891, the Forest Reserve Act was passed and that allowed forests to be set aside for public purposes. And then,

in 1905, those forest reserves that at the time were in the Department of Interior, were transferred to the Department of Agriculture and to the newly formed United States Forest Service.

Those early years, the focus was mainly on just figuring out where the boundaries were, and hiring new rangers to patrol those areas and to get the areas under management. It was generally a time of custodial management. In the late 1920's and the 1930's, we were in the Great Depression and the Forest Service took on some additional social responsibilities. We put people to work through the Civilian Conservation Corps, thousands and thousands of unemployed people, and we were asked to restore eroded landscapes in the Dust Bowl, to plant windbreak trees. And then with World War II, we were asked to help supply the war effort.

And then we moved into the post-World War II housing boom, and from the period of time from the 1960's through the 1980's, it was the time of big timber for the Forest Service, where we were sort of defined by the amount of timber that we produced. And we were asked by every Administration to continue to produce that amount of timber, with good support from Congress. In the 1960's and 1970's, as was pointed out earlier, multiple use and effort to balance those uses, changing public values brought a lot of new laws, and there was additional competition for the limited land base of the national forests, and that led to some significant polarization and conflict that to some degree still is with us today.

My view is that the 1990's were sort of a period of transition for the Forest Service and that was a good thing, and we moved to a more ecosystem-based model of management, and that sort of leads us to what I would like to talk about, what I believe are the four big threats facing our Nation's forests and grasslands.

The first of those is the buildup of fuels in our forests and the resulting wildfires. And thanks to the committee, you played a significant role in the passage of the Healthy Forest Restoration Act, which I believe is probably the most significant forest management legislation in a generation, and we are implementing that legislation diligently.

Another great threat, in my view, is invasive species. Those are insects and diseases and weeds that have come from some other continent that don't have any natural enemies in North America and therefore they wipe out, in some cases, our native ecosystems.

Another great threat is the loss of open space. We have working farms, working forests, and working ranches that are lost to subdivisions at the rate of 4,000 acres a day, and that has a huge effect, again, on our native ecosystems, upon wildlife, fish, clean water and clean air.

And then the fourth threat is what I refer to as unmanaged recreation. More and more people want to go to their national forests and have a good time, and we want them to come. We just have to do a good job of managing that recreation so that the next generation can also have the same kind of opportunities to enjoy the solitude in the national forests like we do.

And there is a number of other challenges, I think. We have a huge backlog of work to complete, replacing culverts, upgrading facilities, where we have unhealthy watersheds, to restore those. But despite all these challenges and some missteps that we have

learned from, I think the Forest Service has amassed an amazing record of accomplishment.

Since 1905, nearly 500 billion board feet have been harvested from National Forest System lands. That is enough to build something like 50 million homes. And we still have almost half of the National Forest System that has no roads in it, it has never been logged. It is still a safe haven for threatened and endangered species, for plants and animals. It is a place for people to recreate, but more important, it is a place where people can take home memories, memories of the first time that their child saw an elk bugling on a ridge top. It is a place where you can still provide for goods and services, for products and services, and it is still a source of clean air and clean water. Something like 60 million Americans get their drinking water from National Forest System lands.

And our research branch has developed many innovations and much knowledge about managing forests, and that has benefited the public, both private landowners as well as other agencies. Our State and private forestry branch works very well with State foresters so that they can assist private landowners. And working together with State foresters, developed the Smokey the Bear fire prevention campaign. Smokey is one of the most recognized icons in the world today. We have restored lands that we acquired that were cut-over wastelands in some cases and they are now in a condition that many people think they are pristine and wild and have never been touched, and they are beautiful treasures today.

So now, looking ahead to the future, I think we just have to continue to sustain our resources and all the good resources that the National Forest System and the other forestlands provide, things like clean air, like clean water, like wildlife habitat, like the remote recreation experiences, and forest products. We need to better engage the public and continue to better engage the public in conservation through a broader outreach. Conservation has been limited to some degree to people in rural places and primarily to white people. It needs to be broadened to urban people and people with different ethnic backgrounds, so we can broaden the whole circle of conservation. And partnerships are going to be the key to our future, our ability to work with other organizations to meet both their needs as well as our needs in the area of forestry. Now, perhaps the greatest achievement of all, though, in my view, is that we have been able to provide goods and services, technical assistance, and scientific information for all of our Nation's forests, and I think, leave a wonderful legacy for our children and a model for other Nations.

So thank you. I would like to thank the committee again for your role in shaping the statutory framework and providing the oversight that allows the Forest Service to be wise stewards of the public's national forests and grasslands, and to help non-Federal forest landowners in the managing of their lands as well. I am proud to be the 15th Chief of the U.S. Forest Service, representing over 30,000 dedicated employees here at today's hearing. I have drawn inspiration from their tremendous dedication to conservation, and I thank you for the opportunity to be here, and I would be happy to answer any questions.

[The prepared statement of Mr. Bosworth appears at the conclusion of the hearing.]

The CHAIRMAN. Thank you, Chief.

For most of its history, the Forest Service has been the “can do” Agency in the Federal Government. Whether it was fighting wildfires or producing timber, the Agency always found a way to get it done. You recently talked about “analysis paralysis”, which has been created, at least in part, by overlapping and conflicting legal mandates, regulations, and court orders. But do you agree that these challenges have been tougher than those experienced in the past, and what can be done to alleviate some of the gridlock, or even better, get back to this nice, simple handbook you had 100 years ago?

Mr. BOSWORTH. Well, first, I do believe it is more difficult today to get work done on the ground, for the obvious reasons of more rules and regulations, but also because there is a lot more people that care about their national forests today than maybe did 20 or 30 or 50 or even 100 years ago. When I was a district ranger back in the 1970's, the job of a district ranger was much easier than it is today, because there is less competition and we had fewer rules, and so the job was just somewhat easier. We have been working hard in the last several years in trying to deal with some of our rules and regulations and modernize those to meet today's challenges and the challenges of the future, and a lot of our regulations were written for the past. They were written 20, 25, 30 years ago for the kind of management that was taking place then. Now we are facing the four threats that I was talking about, and we need to modernize our rules and regulations so that we can deal with those, and we have made a number of changes in our rules and regulations to be able to meet that. We are not there yet. We are going to continue to evaluate all these different rules that we have and procedures that we have in the Agency, to make sure that they work for us so we can get on the ground and work with the public and get the job done. So I think we are making progress and we are going to continue to work at it and continue to make progress in being able to streamline our work.

The CHAIRMAN. With the current budget situation, I am concerned that the Agency needs to focus on becoming more efficient; however, we have seen some alarming trends in the opposite direction, including vastly increased firefighting costs, greatly reduced outputs of commodities such as timber and grazing. Given your remarks about the changed role of the national forests, is it realistic for Congress to expect that land management will be able to pay for itself on public lands in the future?

Mr. BOSWORTH. I doubt that, at least in the near future, I don't think that it will pay for itself. And the reason I say that is, I mean, I guess it could if we wanted to change our direction. If our focus was only, for example, on only harvesting timber and trying to get the most value for that, and not on providing recreational opportunities and solitude, and not providing for habitat for threatened and endangered species and some of those things, then we could decrease our costs and we could increase the amount of things that we produce, but we would be missing some other things.

Also, there is a lot of parts of our mission that don't bring a lot of income, things like managing wilderness areas, like recreation brings some, but not a lot. We graze cattle on national forests. If we significantly increased the cost per AUM, that would bring more dollars in. I think our real challenge is to be as efficient as we can, do always do the work in the lowest cost form that we can, and continue to be efficient. You mentioned wildfires as an example of significantly increasing costs. That is true, our costs have gone up in fighting wildfires, but probably our cost per acre has not increased anymore significantly than the other kinds of costs. It is just that we have much larger fires today, and so we are ending up with —

The CHAIRMAN. When you take the steps necessary to prevent forest fires by thinning acreage and so on, you can create a lot of commercially usable product, can you not, if it is done properly? That would help to defray some of that reduced, first of all, reduce the cost of fighting the fires by reducing the number of fires, but also reduce the cost of the entire process by generating some return on that.

Now, there are some extremist organizations, like the Sierra Club, that have an official national policy of not having any commercial harvesting of timber in our national forests. Can you tell us what a policy like that, if it were actually implemented in the national forests, would have, both on the environment of the forest and on the economics of maintaining the forest?

Mr. BOSWORTH. I mean, I think that would be a huge mistake. I agree completely that the best way, for example, to reduce costs and have healthy forests is do the appropriate kind of thinning, and often that is removing some of those smaller and medium-sized trees and leaving the right number of trees and species and reintroducing fire into a lot of these forests in a controlled way, so that fire can play a role, but within more of a condition that is healthy. And when you remove some of those trees that need to be removed, we ought to be able to utilize those, I believe. They can be chipped, they can be used for lumber, for lots of different purposes. In some cases, it costs more to remove them than the value of the tree. But the overall cost to get the forest into the healthiest condition is reduced. For example, if we couldn't sell that, it might cost us \$500 or a \$1,000 an acre to get the land in the condition we want. By being able to sell that, we might get the cost down to \$100 an acre; in some cases, down to \$10, \$5 an acre. That makes sense to me and it is a good way of utilizing some of our natural resources; creating jobs.

The CHAIRMAN. Thanks, Chief.

The gentleman from Pennsylvania, Mr. Holden, is recognized for 5 minutes.

Mr. HOLDEN. Thank you, Mr. Chairman and thank you, Chief, for your testimony and for the job that you do filling the shoes of a pretty famous Pennsylvanian, Governor Pinchot.

I just have two quick questions. Aren't there any actions that you believe that this committee could take to assist with the further implementation of the Healthy Forest Act?

Mr. BOSWORTH. Well, we have been at a point of implementation now about a year and a half, and I just want to make a comment

before I completely answer the question, is that for years and years we got additional laws and additional regulations tightening things down and reducing the flexibility. The thing that is probably the most significant about the Healthy Forest Restoration Act is that it started loosening some things up; started better defining the level of analysis that needs to be done in order to make a decision, and I think that is extremely significant and very helpful. I am not sure that we have been in the implementation of the Healthy Forest Restoration Act long enough to be able to answer your question specifically, but I can tell you that we would be very happy to work with the committee and to work with you as we evaluate that and see what kinds of adjustments we might need in the future to achieve what we are all desiring.

Mr. HOLDEN. How about with private land ownership? Is there any action that the committee can take to ensure that private landowners stay on their land and manage it sustainably? Anything else, incentives or anything else?

Mr. BOSWORTH. Well, there is some tools that we have right now, tools like the Forest Legacy Program, where we are able to achieve or to acquire conservation easements working with the State foresters, and then we turn those conservation easements over to the State to manage and to administer, and this is only with willing private landowners, and that is one tool that we have. And the others are to try to find ways that private landowners can have their land profitable enough so that they are able to and so they would rather keep it intact, and that may include harvesting timber in the most efficient, or being able to provide for other kinds of services, wildlife habitat, recreation and some of those kinds of things, where private landowners can make a little bit of money from those; then they might want to be able to keep that land intact. And so we work, again, with the State foresters in working with those private landowners to achieve that and we are going to continue to do that.

Mr. HOLDEN. All right, thank you. I yield back, Mr. Chairman.

The CHAIRMAN. I thank the gentleman.

The gentleman from Kansas is recognized.

Mr. MORAN. Thank you, Mr. Chairman. It is somewhat surprising that the gentleman from Kansas would ask anything about the forests, but we do care a lot, not only about trees across the country, but grazing in national grasslands is an important component of our State's heritage and economy.

The status of grasslands, the future of the permitting process, the opportunity for grazing, just your general comments about where we are in the world of national grasslands and grazing my ranchers.

Mr. BOSWORTH. We are very proud of the fact that we manage national grasslands as well national forests and as you stated, we do have national grasslands in Kansas. I think the future is good for grazing on grasslands. There is going to continue to be different views about how much that ought to be and how the best way is to maintain healthy grasslands. We want to make sure that it still provides habitat for wildlife and opportunities for the public to enjoy them, but I don't think those things have to be in conflict. I think that those things can be brought together and I believe that

multiple use applies to the grasslands like it does to the forests, where people can graze and we can have all the other uses, too. So we are going to continue to work with particularly the local people and continue to find good ways to continue with the grazing.

Mr. MORAN. Well, Chief, thank you very much. I do represent an area of Kansas that includes the Cimarron National Grassland, and the relationship between the grazers and the Department of Agriculture, the National Forest Service, has been one that has been, in my opinion, just an awfully good relationship, the cooperation, conversation and dialogue, and I appreciate the National Forest Service's relationship with the folks who care about the National Grassland in Kansas. So thank you, sir.

Mr. BOSWORTH. Thank you.

Mr. MORAN. Thank you, Mr. Chairman. I yield back.

The CHAIRMAN. I thank the gentleman.

The chair recognizes the gentleman from Minnesota, Mr. Gutknecht.

Mr. GUTKNECHT. Thank you, Mr. Chairman.

I have made several trips. In my part of Minnesota, in southern Minnesota, we don't have any national forests, but we do have two very important national forests in northern Minnesota, the Chippewa and the Superior, and I have made several trips up there to meet with folks who have interests up there, and I have to tell you that the reports that they give me are not particularly good, OK. And I want to come back to this because we do want to work with you, but let me just give you an example.

To pursue what the chairman asked about, in terms of just some numbers, when we established in 1905 the Forest Service, they had 500 employees to manage 56 million acres of forest. Today, the Forest Service has 30,000 employees to manage 193 million acres. Well, I guess most of us are pleased that we have increased the acreage, but when you talk about efficiency and you see these relatively large, well, very large increases in the number of Federal employees, I guess one of the questions that I would ask; you used the term efficiency several times. How do you define efficiency?

Mr. BOSWORTH. Well, first, my view is that we need to get the work done for the least cost, in a way that provides the outcomes that people want from their national forests and grasslands. And if we do it for the least cost or less cost, we are improving our efficiency. There are many differences between, obviously, between today and 100 years ago when we had the use book. Just the job of writing an environmental impact statement and analyzing alternatives and meeting the requirements of the Endangered Species Act and the list goes on, requires that we have different specialists, people with different professional backgrounds, working in an interdisciplinary way to make sure that our actions are going to minimize the environmental consequences of any decision we might make. And of course, those things increase the costs to some degree. So my view is that we had expected to have more costs as things get more complex. One hundred years ago, people believed that they could always go over the next ridge to get what they wanted, and you can go to the next drainage, and if we need to harvest timber or we need to graze cattle, there is always another ridge you can go over to accomplish that. In today's world, with the

number of people that we have today, there is more competition for the resources on the national forests. So the number of people has increased significantly, but the land area doesn't increase.

Mr. GUTKNECHT. Well, one of the concerns we have in northern Minnesota is that some of the paper mills up there would like to expand, but they are literally sitting and making a decision as to whether they will expand or contract their operation, based on how much fiber is available. And this is a very important thing, because we worry here in Congress about the loss of manufacturing jobs. The manufacturing jobs in the paper industry in northern Minnesota work out to over \$60,000 per year per person, and these are manufacturing jobs which, unfortunately right now, if don't manage these forests and allow more cutting of our national forests, and right now, the numbers that I have show that we are actually cutting less than 1 percent of the annual growth. And in some respects, that is a sad statistic, because what that means is more of these very good manufacturing jobs are going to go to other countries and we don't want to see that happen.

So I just want to publicly invite you and the Secretary—I have already invited the Secretary up to northern Minnesota to meet with some of the folks who depend on our national forests and depend on it in very, very serious ways. And I do understand that the litigation and requirements are different today, but I still get the sense that there is an awful lot of this fear or almost paranoia within the Forest Service about moving forward. In fact, I used this example once in awhile, of what used to be in the Union Pacific engineers railroad manual. And what it said in one paragraph was that if two trains should approach each other on the same track, both shall come to a complete stop and neither shall advance until the other has passed. And that is what I see happening too often, not only with the Forest Service, but with a lot of Government agencies. We literally have trains sitting there looking at each other, and we are not letting the contracts for stumpage, and the net result is, we are going to lose some very, very good manufacturing jobs that we can't afford to lose in places like Minnesota.

So we want to work with you. We know you have got a difficult job. We know that the staff that is working out there has a difficult job. But it starts at the top, it starts with us and it starts with you to set the tone, that we expect these forests to be managed efficiently, we expect these forests to be utilized, and we expect the folks in the Federal Government to work with local people in those areas to make certain that that national resource is being used appropriately.

Mr. BOSWORTH. I would like to respond to a couple of comments here. I would definitely agree that we do need to work together. I have been to the Superior National Forest and visited with folks a couple of times. I guess I would like to point out that fiscal year 2004, our last fiscal year that we completed, the Forest Service met all of our timber harvest targets and actually exceeded what our targets were that we got from Congress and the administration. We exceeded, significantly exceeded our fuels treatment expectations, about 115 percent of what we believed we were funded and what the targets were. We exceeded the number of miles of road, or of trail maintenance, that we had expected to get done and what our

funding showed. So there were a number of areas, in terms of what our folks, what we allocated, the targets that we got both from the administration and from Congress, and they exceeded that. I am pleased with that. That doesn't mean that there isn't more that we can do and more efficient than we can get, and to continue working with people in development of our forest plans to make sure that what we are doing is what people want.

The CHAIRMAN. I thank the gentleman.

The gentleman from Texas, Mr. Neugebauer.

Mr. NEUGEBAUER. Thank you, Mr. Chairman.

Mr. Bosworth, following up on Mr. Gutknecht's comments about efficiency, what are some of the things that the Forest Service is doing from a technology standpoint of protection of fires, of fighting fires, of managing the forests themselves? And I guess one of the things that comes to my mind is, other areas of Government were using satellite technology for managing crops, for example, in some of the areas that I represent. Can you elaborate on some things that the Forest Service is doing as far as from a technology standpoint?

Mr. BOSWORTH. Well, there is probably a lot of things we are doing that I can't even think of, but let me just tell you a few that I am very aware of, because technology has significantly improved our ability to deal with fires. I mean, at one time, we would have a fire, part of the difficulty is in a large fire, even knowing where it is at, because you have so much smoke that you can't really tell where the boundary of the fire is, and using things like GPS technology, these are flying or people walking around the perimeter of the fire, we are going to have it mapped instantly. We use satellite imagery to have daily updates on exactly where the fire is, based upon infrared imagery, and so we can get that and have that information to the fire command team, by the time the crews, the morning crews, are ready to go out on the fire at their fire camp at the location of where they are headquartered and their fire camp has been set up. We use the technology now to help map where the smoke is going so that we can work with the public better in terms of what to expect and in terms of how much smoke is going to be affecting people's health. So there is a number of those kinds of things that we are doing and it gets better all the time.

Mr. NEUGEBAUER. I think one of the questions along the same lines is, in particular, with the Healthy Forest initiative of going in and managing those areas that have dense buildup of foliage and so forth that make them higher-risk, are you able to use technology from satellites and fly over to determine exactly and pinpoint where some of these buildups are, or are you still driving the forest roads, or how are we doing that?

Mr. BOSWORTH. Well, we still ground truth, but we—to make sure that the information we have is correct. But we use satellite imagery, again, to basically map the forest vegetation and interpret that imagery to look at the areas that would be the highest risk for wildfire. We have a pretty good indication right now nationwide of how many acres we have that are at high and moderate risk of fire that would be unnatural, and that is where we put our emphasis in terms of fuels treatment, particularly when they are around communities. So that would be one indication.

Another area where we are using the technology and getting better is to be able to strategically locate the kind of fuel treatment work that needs to be done. If you have, for example, a 100,000 acre watershed, that doesn't mean you have to treat 100,000 acres. If you locate those treatments in the right place, then you can protect that whole drainage, that whole watershed, as well as the community. So it might only require 25,000 acres of treatment instead of 100,000, which would save money, protect the community and protect the watershed. And it is the technology, particularly satellite imagery, that really helps us with that.

Mr. NEUGEBAUER. Recently, in my district, I was at a manufacturing plant, Air Tractor, who makes airplanes that are used in firefighting, and one of the things that they indicated to me is that the Forest Service was using a lot of pretty old equipment in a lot of ways to fight fires with, and that today there are ones that the service is in need of updating their fleet, but also maybe changing their fleet to be more efficient and being able to get to some of those particular areas in a quicker manner in a more concise area. Can you give me some elaboration on that?

Mr. BOSWORTH. Well, most of the heavy air tankers that we use for retardant we contract with private contractors for those and that is a pretty old fleet, there is no question about that. And as a result, we ended up grounding most of that fleet for a period of time. We have a lot of it back in the air now. We replaced, when we grounded those aircraft, we replaced them with helicopters, with heavy-lift helicopters, that did a very good job for us; they are just more expensive. But they are very precise in terms of the way they can drop water on a particular exact spot, where the air tankers aren't quite as exact. We have developed a long-range plan for the kind of aircraft that we need for the future, the mix that we need between heavy-lift helicopters and air tankers and what kind of needs that we have in terms of those air tankers, and we will be working with private contractors and others as we evolve into a more modern fleet.

Mr. NEUGEBAUER. Do you see you are moving more to outsourcing of that, or do you think there is still a need to have a certain amount of that within the Forest Service, or can we outsource all of it?

Mr. BOSWORTH. Well, all of the air tankers currently, and the heavy-lift helicopters, are privately owned and they are contracted, which we contract with those. We do have some aircraft in the Forest Service that are used for smoke jumpers and for helicopter repelling crews, in fact, even most of the helicopter, for repelling crews, are contract, but we do have some private aircraft for smoke jumpers.

Mr. NEUGEBAUER. Thank you, Mr. Chairman. My time has expired.

The CHAIRMAN. The gentleman from Iowa, Mr. King.

Mr. KING. I thank the chairman. And, Chief Bosworth, I want to thank you for your testimony today and the service to the Forest Service. It is something that I have watched really all my life to some degree and even though I represent Iowa, without a single national forest in it. So that really is why I am here in one way,

in admiration of the work that is been done by you and the people work with and under you.

But something in your testimony caught my attention, and as I look back through the printed testimony, I didn't find that portion of it, but it says, in the printed testimony, in the 1980's, the National Forest System produced to 20 to 25 percent of our Nation's timber needs annually. If I remember right, you, in your testimony, verbally embellished that some and named the number of houses that had been built with that and also the number of acres of timber that were untouched. Could you restate that for my reference?

Mr. BOSWORTH. Yes. The estimate I have is that 500 billion board feet, this would be over our 100-year history now, the whole 100 years, that approximately 500 billion board feet of timber was harvested from the national forests, and that that would equate to about 50 million homes that could be built with that amount of timber.

Mr. KING. And yet, how much of the national forest is still untouched?

Mr. BOSWORTH. Almost half of the National Forest System has no roads or has never been harvested.

Mr. KING. OK, thanks for refreshing me on that. I didn't catch it all as it went by and it was interesting data that I think, it puts it in a perspective, the contribution the national forests have made to this country and the resource that has been managed. And it brings me to the next question and that is that I recall being out to Yellowstone in about 1976 and taking a look at the forests out there, and then coming back after the forest fires, and I believe they were in 1988?

Mr. BOSWORTH. Yes, that is correct.

Mr. KING. And I can probably calculate the year, because it had been 12 years since. We were there in 2000, the last time, and I saw the timber, the regrowth, and I just need an understanding from, I suppose, a fellow from Iowa's perspective. How long does it take for that timber, and it will never be the same old growth it was, but it will be a new old growth, how long does it take for that to mature to the point where it doesn't, where you can actually have a real timber there? It seemed like it was slower than I thought, in 12 years.

Mr. BOSWORTH. Well, of course, it is going to vary some, depending upon the growing sites and types, but a lot of the country around Yellowstone is higher elevation, a lot of it is lodgepole pine and spruce and fir, and so it does take longer. But lodgepole pine forests, they are natural way of managing themselves is really through fire, and so what happens, they have tight pine needle and pine cones, and so when you get the heat from fire, that allows the pine cones to open and the seeds to distribute. So often, fire is a necessary part of managing those ecosystems. And generally, 100, 120 years, a lodgepole pine will burn again. I mean, in their natural condition. But they never get real big, either. The trees are not large trees, the lodgepole pine aren't. And that is a lot of the kind of country around Yellowstone.

The difficulty is that when you move down to some of the lower elevations and you have some of these drier areas, they are more historically, they had fires that burn maybe every 15 or 20 years

rather than every 100 or 150 years. And when we have removed fire from those ecosystems by putting the fires out, we have gotten a whole lot more trees there than what you should have. And so when we have fire in those areas, they burn kind of like Yellowstone did, but they shouldn't. The Yellowstone fires were more natural, and the ones down at the lower elevations are not and they are the problems.

Mr. KING. Well, and I appreciate that. So the generations of trees can vary substantially, but lodgepole, up to 100, 120 years, then, it will be how I should think of it in that concept.

Mr. BOSWORTH. Generally, that would be correct.

Mr. KING. As one who has outlived a lot of trees in my lifetime, I recognize they are a regenerating resource. So I, for the record, ask you this question, and I will never get the chance to ask this again. Do you agree or disagree with this statement: where there is smoke there is fire?

Mr. BOSWORTH. I have seen a lot of smoke where I couldn't find any fire.

Mr. KING. Thank you very much, Chief. I appreciate it. I yield back, Mr. Chairman.

The CHAIRMAN. I thank the gentleman.

The gentleman from Tennessee, Mr. Jenkins, is recognized.

Mr. JENKINS. Thank you, Mr. Chairman and thank you, Mr. Bosworth, for being here, and let me say, first of all, that I think you are doing a great job in the U.S. Forest Service.

Mr. BOSWORTH. Thank you.

Mr. JENKINS. With all the conflicting viewpoints that you have to entertain in doing your job, I doubt that there a very few of us who would be doing nearly as well as you are doing today.

I want to talk to you first of all about one species. I want to talk about the American chestnut tree. It is my understanding that there are several universities that have come, over a long period of time, that have come very close to creating a form of the American chestnut tree that we can now put back in the woods and that will resist the blight that made it extinct. The chestnut tree, I think, is one of the great losses that we have suffered in this country. The food was valuable for human beings and practically every critter that lived in the woods. The wood was very versatile in its use. It provided woods for homes, for barns, for furniture and most everything that the early settlers came to depend on. I would like to ask what the role, as we come to the point where we can reintroduce the American chestnut and perhaps have it thrive, what is the role of the U.S. Forest Service going to be? How are you going to—in our forests, how do you plan to reuse the American chestnut tree?

Mr. BOSWORTH. Well, first let me say that I was talking about the four great threats and I said invasive species is one of those, well, the American chestnut is a great example of what can happen when you get an invasive insect or disease from some other continent and it wiped out the chestnut, as you well know. And a huge loss to the American people, in my view, when that happened. The Forest Service has had an important role in trying to help develop chestnuts that would, and to bring the American chestnut back, and we work with private organizations and universities with our

research, and I think we have had an important role in developing an American chestnut that would be able withstand the chestnut blight.

There are trees now that are being planted and they are growing. As a result of some of that work, the work from the American Chestnut Foundation that we work closely with, in fact, I think, on Arbor Day we planted an American chestnut in the White House lawn, and I think that is symbolic and significant. And I believe that maybe our children's children will see forest with American chestnut back in them, like people back in the early 1900's were able to see, but it is going to take a long time. We will be working with the State foresters and we will be working with private organizations, and on the national forests, to help both propagate, develop and get the trees out there in the ground, and then monitor and study those to make sure that we are getting what we need to from them.

Mr. JENKINS. Thank you. Now let me ask about the, as Mr. Gutknecht did, about the national forest in his State. The Cherokee national forest is located in Tennessee. A good portion of it is located in the congressional district that I represent. The Cherokee is made up of about 640,000 acres, I believe. And in 2004, I have heard that about one percent, about 650 acres, were actually cut.

Mr. BOSWORTH. There were actually what?

Mr. JENKINS. Were actually cut for timber.

Mr. BOSWORTH. I would have to check those figures and get back to you. I just don't know how many acres would have been harvested on the Cherokee.

Mr. JENKINS. And then if we come to clear-cuts, which, without any question in my mind, provide valuable habitat for, especially roughed grouse, but deer, every form of wildlife, then it is a small fraction of the amount that was actually cut. Now, have we come to this place because of what you described as analysis paralysis? Or why is such a very small portion of the Cherokee cut each year?

Mr. BOSWORTH. Well, the first thing that we do, I mean, our forest plans guide the amount of timber that we are going to harvest, or basically the number of acres where we are going to have timber harvested. You mentioned clear cutting. A lot of the clear cutting that we do is for purposes like turkey habitat, roughed grouse habitat, to try to improve habitat for other non-game species.

At the same time, those acres provide wood supply, and the forest plan dictates how much we are going to do of that. I will say that you are correct, that some of the analysis problems and some of the situations where we go to court, it takes longer to get the projects out than what it used to. We have to make sure that from the threat of endangered species standpoint, that we are doing the right kind of protection for threatened and endangered species. Those are just some of the examples of the things that the forest supervisor and their folks are dealing with.

On the other hand, I think that the Cherokee National Forest is doing a pretty good job of trying to find that balance of people who want to recreate. There is a lot of folks around the Cherokee that like to take horses. I mean, there is tremendous number of equestrian use, for example, on the Cherokee National Forest today. And there is also people that like to ride off-highway vehicles back into

the national forest, and so we are trying to provide for those needs and balance that with the amount of wildlife habitat improvement and the amount of timber production that we can do. But I will check the figures specifically and I would be happy to get back with you on that.

Mr. JENKINS. OK. My time has expired. Thank you, sir.

The CHAIRMAN. The gentleman from North Carolina, Mr. Butterfield, is recognized.

Mr. BUTTERFIELD. Thank you, Mr. Chairman, and I want to thank the witnesses for coming forward today, and I apologize. I think I am going to reserve my questions at this time.

The CHAIRMAN. Very good. I thank the gentleman.

If there are no further questions, Chief, we thank you very much for your contribution today. As you know, we both congratulate you on 100 years of accomplishments and encourage you to restore some of that process that we had a number of years ago that we seem to have gotten bogged down on now, and the balanced use of our national forests seems to be out of balance and we hope that you will take the lead in helping to restore some of that balance to make sure that both the environment and the public use of the forests themselves and the resources of the forests are all made available for the benefit of our citizens.

Mr. BOSWORTH. Thank you, Mr. Chairman, and in working together, maybe we can get back closer to that use book that guides our management.

The CHAIRMAN. Yes, I will keep this right with me.

Mr. BOSWORTH. Thank you.

The CHAIRMAN. Thank you very much.

We would like to invite our second panel to the table, Dr. John Helms, president of the Society of American Foresters, from Bethesda, Maryland; Ms. Leah MacSwords, director of Kentucky Division of Forestry and chair of the Southern Group of State Foresters, Frankfurt, Kentucky, on behalf of the National Association of State Foresters; and Dr. V. Alaric Sample, president, Pinchot Institute for Conservation, Washington, DC.

We are pleased to have all of you with us today. We will remind you that your full statement will be made a part of the record, and ask that you limit your remarks to 5 minutes, and we will start with Dr. Helms. Welcome.

**STATEMENT OF JOHN A. HELMS, PRESIDENT, SOCIETY OF
AMERICAN FORESTERS, BETHESDA, MD**

Mr. HELMS. Well, thank you for the welcome, Mr. Chairman, and thank you members of the committee. I really appreciate the opportunity to provide some testimony on the USDA Forest Service and its progress over the past century, and what might be some of the opportunities for the future. I am currently president of the Society of American Foresters and I am representing them today, and I would like to thank the committee for its continuing support of forestry and forests, and this is both on public and also on private land.

Throughout the past century, the Forest Service has had many successes in land management, and these are probably most notably in the first two-thirds of this, when the Agency established and

implemented what are probably best described as an extraordinarily competent management practices to make the needs of the public. Currently, we are in a situation of administrative complexity. We have issues of forest health, we have issues of wildfire, and these are making successes a little more difficult to achieve in the latter part of the few decades.

In considering the future, I would like to focus on three areas that I really find are enormously important. Now, the first of these is that it is imperative that the Forest Service enabled to professionally manage the Nation's Federal Forests, and meet in perpetuity the diverse needs of the people. And this is from the extremes of a sustainable wood supply through to wilderness, and this has to be done a balanced ecologically sound way.

But I will comment that, today, with conflicting and overlapping legislative mandates, the Forest Service does not really have a clear mission or a vision guiding its management. And as the demands of the Federal Forests change, the Forest Service's legislative mandates have become increasingly complex, and they have become conflicting and also outdated. Now, I don't think the situation will be really resolved until Congress closely examines these conflicting mandates and clarifies the missions and the goals of the National Forest System, in the light of today's changing political attitudes.

Our understanding of forests has changed dramatically since the concept of multiple use was put into place. The shift to ecosystem management and sustainability is not reflected in current mandates of the Agency. And while the idea that the Forest Service should provide a balanced variety of goods and services from these lands, and this still is desirable, this is probably better founded on the broad principles of sustainability, which are based on the fundamental interconnectedness of environmental, social, and economic processes and values. And I think that with an articulation of a new congressionally designated mission, the Agency can once again rebuild its trust with the public with whom they serve.

And as an interim measure and to begin to move forward, I suggest that Congress consider authorizing and testing different approaches to sustainable land management through the use of pilot projects. And I know this is not a new idea, but it is an important mechanism that allows the examination of alternative approaches to adaptive management, prior to adapting on a broader scale across the country. And a good example of this, perhaps, is stewardship contracting.

The second issue I would like to bring to you is that the State and private forestry functions of the Forest Service are critically important. The United States is remarkable in the world in having such a diversity of forest ownerships that include Federal, State, industrial, private nonindustrial, and tribal. And these forests provide the bulk of our domestic supply of forest products and cover most of our watersheds, and I suggest that it is the nonpublic lands, however, that are the most vulnerable to conversion, fragmentation, and parcelization. There may also be reasons to think more boldly and develop better Federal-State partnerships, as being done, for example, with the Clean Air Act and the Clean Water Act. The States have a particular interest in Federal lands,

and it may be worth looking at greater opportunities for State partnerships across all Federal land issues.

And the third priority areas I would like to mention is forest research and development. In these times, where we have the greatest needs for information, it really seems surprising that the number of Forest Service scientists has declined 50 percent in the last 20 years, from about 985 scientists in 1985 to about 468 today. And this precipitous decline in research capacity seems quite indefensible, given the enormous and expanding demand for new techniques and understanding that is needed for sustainable forest management. And because the Forest Service research, it can probably never have all the scientists it needs. Greater emphasis should be placed on increasing high-quality collaboration with other research bodies throughout the country.

So in conclusion, Mr. Chairman, I will comment that, over the last 100 years, the Agency's prime concerns have evolved through custodial, through utilitarian, and through the stewardship approaches. But given the supreme importance of sustained, healthy, and diverse forests is literally to the Nation's welfare. The Forest Service must have a clear mandate, clear and consistent laws and regulations that guide management, provide leadership in management and conservation across all forestlands in the country, and have a research of sufficient capacity to permit the best possible decisions and development of forest policy. So thank you, Mr. Chairman, and the committee, very much for this opportunity to provide testimony. I will be glad to address any questions you might have.

[The prepared statement of Mr. Helms appears at the conclusion of the hearing.]

The CHAIRMAN. Thank you, Dr. Helms.

Ms. MacSwords, welcome and we are pleased to have your testimony as well.

STATEMENT OF LEAH W. MACSWORDS, DIRECTOR, KENTUCKY DIVISION OF FORESTRY, AND CHAIR, SOUTHERN GROUP OF STATE FORESTERS, FRANKFORT, KY, ON BEHALF OF THE NATIONAL ASSOCIATION OF STATE FORESTERS

Ms. MACSWORDS. Well, good morning, Mr. Chairman and members of the committee. I am pleased to have the opportunity to testify today on behalf of the National Association of State Foresters.

The State foresters have a long history of working with the Forest Service, and when we look back we recognize that the greatest accomplishment of the Agency during its first 100 years has been to bring a forest ethic to all of the forests in the Nation, by instituting a professional scientific and systematic approach to protection of our forests, regardless of ownership.

In 1911, when Congress passed the Weeks Act to authorize the purchase of land east of the Mississippi for the protection of navigable waterways and their watershed, this of course led to the purchase of burned over and denuded land and the establishment of the Eastern National Forest, including the Daniel Boone National Forest in my home State, Kentucky, and the George Washington and Jefferson National Forests in Virginia.

The 1924 Clark-McNary Act authorized a Federal grant program with the States for cooperative fire protection on all forestlands across the country, and establish funding for States to implement reforestation and assistance programs for private landowners. Our wild land fire protection program is second to none, and together we have strengthened our knowledge, skill, and experience to protect the Nation's forests and grasslands from wildfire. The National Fire Plan has not only increased funding for wild land fire programs, but has also affirmed that wild land fire protection program is a cooperative effort across agencies and ownership and serves all the country.

The Cooperative Forestry Assistance Act of 1978 provided the Forest Service with broad and comprehensive authority to support State forestry agencies in helping the Nation's 10 million private forest landowners manage and protect their forests. These efforts provide the educational, technical, and financial assistance to realize the public goals of sustainable forestry. They include, among others, the Forest Stewardship Program, cooperative fire assistance grants, and urban and community forestry, and they have established an excellent track record of protecting water resources, restoring fire-adapted forests, managing wildlife habitat, and improving quality of life.

The greatest hindrance to accomplishment of these program goals is lack of adequate funding, and we believe that funding for cooperative forestry programs has been especially hard hit. In fact, some programs have never received any funding, such as the Watershed Forestry Assistance Program that was authorized in the 2003 Healthy Forest Restoration Act. This program would provide States with the recourses to improve water quality by undertaking watershed forestry restoration projects in priority areas and improving State forestry best management practices programs. Unfortunately, Congress has never appropriated any funds for this program. The Cooperative Forestry Assistance Act provided the Forest Service and States with direction and focus for the landowner assistance programs. Given the funding difficulties, we believe a new approach to State and private forestry programs is needed.

Last September, Chief Bosworth challenged NASF to help the public understand the benefits that come from the few well-placed Federal investments in State and private forestry. Together with the Forest Service, we sponsored three regional meetings over the past few weeks to develop a shared understanding of public benefits from non-Federal forestlands. These findings from the meetings will be available later this summer and will provide guidance to the Forest Service, NASF and other stakeholders. We believe that a strong focus on providing clearly definable public benefits will better shape the future of State and private forestry. State forestry agencies and the Forest Service have a long history of working together, and we have a strong interest in the direction of the Forest Service as we embark on the second century of our partnership.

And I wish to close by noting that the most compelling forces shaping the Agency's role and direction will not come from within, but rather from new and global issues that are already shaping our policy. Greenhouses gas markets, the increasing value of clean water, and the global economy will all shape the Agency's direction

in the future. The strong relationship between NASF and the Forest Service will help us to better serve the public as these changes take place. I thank you again for the opportunity to testify today and I would be happy to answer any questions you may have.

[The prepared statement of Ms. MacSwords appears at the conclusion of the hearing.]

The CHAIRMAN. Thank you very much.

Dr. Sample, welcome.

**STATEMENT OF V. ALARIC SAMPLE, PRESIDENT, PINCHOT
INSTITUTE FOR CONSERVATION, WASHINGTON, DC**

Mr. SAMPLE. Thank you, Mr. Chairman.

Over the past 100 years, the Forest Service has risen to many new and many unanticipated needs. The Forest Service is now serving an America that is greatly changed from a century ago; from a population 76 million in 1900 to more than 286 million today; from a mostly rural population to one that is 85 percent urban; one that was mostly eastern European people of ancestry and is now a diverse mix of races, cultures, and outlooks. Globalization has fundamentally changed forestry in the U.S. and will continue to do so in coming decades. Billions of dollars in capital once invested in U.S. forests have been taken out and reinvested in fast-growing plantations, mostly in the southern hemisphere. Production capacity in the global forest sector is geared less to mature economies, like that in the United States, and increasingly toward rapidly growing markets in Latin America and Asia. With timber prices in the U.S. projected to remain relatively flat for many years to come, some of the most valuable and productive forestlands in the U.S. will be barely able to compete on either price or quality with low-cost wood coming from the southern hemisphere plantations.

What does this mean to the future of the Forest Service and of U.S. forests? First, the biggest threats to sustainability in U.S. forests will not come from the pressure for timber harvesting. The biggest threat to sustaining biological diversity, water quality, wildlife habitat and other values from U.S. forests will be the loss of the forests all together to forest fragmentation and the conversion of forests to development and other non-forest land uses. Three-quarters of U.S. forests are privately owned, which means there are costs to the owners; property and State taxes as well as the expense of protecting and managing the forest itself. These costs are increasingly difficult for many private forest landowners to bear, especially in times of weak timber markets and declining real prices. As a result, more and more land each day is being cleared for development and for all intents and purposes is being lost as forests forever.

Private forests offer a steady stream of public benefits, values and uses that we are only now beginning to fully appreciate. Discovering creative new ways to directly or indirectly compensate private forest landowners for these benefits will be key to ensuring that landowners can continue to keep their forests enforested. The U.S. Forest Service is helping lead the way in this field, cooperating closely with State governments, conservation organizations, local communities, and forest landowners.

These challenges to protecting important public conservation values on private lands brings a fuller appreciation, I think, for the role of the national forests themselves and a wide array of services and uses that they provide for all Americans on a daily basis. The public spends an average of less than \$16 per acre annually to conserve and sustainably manage 192 million acres of national forest, providing benefits to all Americans and ensuring that this essential natural resource asset will still be there for generations of Americans to come. By any measure, Americans are getting a good value for what they invest.

But globalization is having its effects on the national forests as well. This decline in U.S. timber values in markets has contributed to a loss of economic infrastructure in forest management in communities all over the country, making it difficult for the Forest Service to accomplish even its most basic stewardship responsibilities; maintaining the long-term health and productivity of the national forests themselves. We have seen this in the increase in insect and disease outbreaks, the buildup of hazardous fuels, or frequent wildfires, especially in the intermountain west.

At the end of the day, the U.S. Forest Service is still the most capable organization in the world, in terms of conservation and sustainable forest management, in research, in technical assistance to State governments and private landowners, and in demonstrating sound forest management. What the Forest Service has done in its first century provides a model for other countries that are just now themselves beginning to turn that corner from unsustainable exploitation of their forests to sustainable forest management. The Forest Service of the future will face many challenges, some of which we can't even anticipate anymore than Gifford Pinchot anticipated today's challenges 100 years ago. But at the start of its second century, I believe the Forest Service has matured as an organization, I believe they have internalized many of the lessons from their mistakes as well as their successes, and they are stronger as a result. I thank you, Mr. Chairman, and I will be happy to address any questions that you or other members of the committee might have.

[The prepared statement of Mr. Sample appears at the conclusion of the hearing.]

Mr. GUTKNECHT [PRESIDING]. Well, thank you very much, and my thanks to you and to the staff for having you folks here to talk to us briefly today.

One of the questions that was raised by several of you is this issue of sustainability, and perhaps we should ask some of the folks from the State forests, because what we hear from some of my folks back in Minnesota is that, in some respects, our State foresters are doing a better job of managing their timber than we are, and any of you be willing to talk about and compare that? I mean, do you cut trees in Kentucky?

Ms. MACSWORDS. Yes, we do. Let me share with you are a couple of examples in the difference in harvesting on State-owned land versus harvesting on the national forests, and the example that comes to mind, in the late 1990's, all of the South was struck by an infestation of southern pine beetle and it pretty much devastated our pine trees across the south, including the Daniel Boone

National Forest in Kentucky and in my own Pennyrile State Forest.

What happened was, we as a State Agency could go in and do salvage harvesting on our State forests and while the trees still had economic value, and we used those receipts from those harvest sales to support the infrastructure on our State forests. The Daniel Boone National Forest was not quite so fortunate, because they were mired in litigation over whether or not they could harvest and they essentially lost some valuable timber and some money that could have been gained, had they been able to harvest out those damaged pines in a timely manner.

We also suffered from several ice storms. And again, I could go in on a State Forest and harvest the damaged timber quickly, while it still had economic value, while storm-damaged areas on the Daniel Boone had to wait a lot longer before they could begin to harvest some of the damaged timber there.

But I think one of the things that I would like to point out, when we talk about resources on State forests, it is not necessarily the State-owned forests, it is all the forests that are owned by private forest landowners. So when there is not harvesting going on on national forests, then forestry industry looks to that resource that is provided by our private forest landowners, and that is why it is extremely important that we continue to have a strong program that supports our 10 million forest landowners across the country.

Mr. GUTKNECHT. I wonder if either of the other two our testifiers would be willing to talk about that, because that is essentially the assessment that we get, is that our national forests are tied up in so much red tape that it really, it almost becomes counter-productive. Do you share that view and are you willing to work with us to try and get rid of some that red tape?

Mr. HELMS. I think the perception is quite accurate. My understanding is that a surprising amount of the Forest Service budget, something like 40 percent, goes into planning. And when you add the issues of planning with the need for public participation and to accommodate appeals, these activities dominate the attention of the Forest Service to the detriment of being able to actually deal with the issues of management issues that are on the ground.

And so we have got ourselves caught, with all the best of intentions, of developing statutes that put emphasis on planning and emphasis on public participation, expecting that these would help us all with the problems at that level, but it hasn't worked out that way. And so it is an extremely difficult issue as to how to encourage, obviously, public participation and provide opportunities for appeal, but not allow these processes to get in the way of actually look after the resource itself, which is the prime function of the Agency.

Mr. GUTKNECHT. Dr. Sample?

Mr. SAMPLE. I guess I would agree with the assessment as well. I think it is important for us to recognize that the situation that we are facing today didn't develop overnight. And I think the State forests and the national forests have really come from a somewhat different place over the last 30 years or so. The Forest Service has learned some difficult lessons over its first century. The 1910 fires in the northern Rockies that burned up several million acres, sev-

eral communities, and took a lot of lives, was a very harsh lesson for the Forest Service in its preparedness to fight fire, and they committed themselves to becoming the very best firefighting agency in the world and they have. Their response to some of the issues over forest management that began cropping up in the 1970's and really sort of hit critical in the 1980's and the early 1990's, really undermined a lot of the public trust in the Forest Service, and the Forest Service has taken awhile to rebuild that trust. So I think they are coming from a somewhat different place.

There is an innovative sort of approach to this that the States actually have pursued, some States have pursued, with independent third-party assessments, where someone that really has no dog in the fight, if you will, comes in and assesses independently the quality of the forest management. Several States have done this on their forests and have a great deal of success with putting the results of those assessments out there to their citizens to prove to their citizens that they really are doing a very good job of managing their forests. The national forests are only beginning to investigate that right now as a possible mechanism for helping to, again, continue rebuilding that trust in the Forest Service and their ability to manage the national forests.

Mr. GUTKNECHT. Well, my time has expired, but thank you very much for your testimony.

My colleague from Minnesota, Mr. Peterson.

Mr. PETERSON. Mr. Chairman, I defer to Mr. Butterfield.

Mr. GUTKNECHT. Mr. Butterfield.

Mr. BUTTERFIELD. Thank you, Mr. Chairman, and thank you, Mr. Peterson, for yielding your time. I want to thank you for the work that you do on this committee and I want to thank the chairman of this committee. I realize that he had to step away for a few minutes, but I want to thank Chairman Goodlatte for all that he does for the forest advocates and the forest interests in this country. I am one of the newer Members of Congress. I was elected last year and so I am new to this committee, and so I am in the process of learning so much about forests and forest management. And I just want to thank you, each one of you, for coming forward today and giving us your testimony.

Before coming to the Congress, I was a judge and I was in the court system for 30 years. I did not have a full appreciation for what you do, but since coming to the Congress, I have developed a great appreciation and admiration for what you do in your work. And so I am continuing to learn, so I just want to thank you for your testimony. I have read all of your testimonies and it is obvious to me that each one of you feels very strongly about your work, and I just want to thank you for that.

Let me ask Dr. Helms the first question. You seem to suggest, both today and in your statement, that we have legislative mandates that are somewhat conflicting and overlapping. Am I correct in assuming that you feel that many of our legislative mandates are overlapping?

Mr. HELMS. That is correct.

Mr. BUTTERFIELD. Yes. Would you advocate wholesale changes to these legislative mandates, or do you think they can be tweaked and corrected without any wholesale changes?

Mr. HELMS. Well, that is difficult to respond to because we have three prime statutes, the Organic Act of 1897, and then the Multiple Use Sustained Yield Act, and the National Forest Management Act, and these are addressing issues of the management of the forestlands, but they are not entirely consistent in their directives, and probably more importantly, these about 30 years old, or in the case of the Organic Act, obviously 100 years old. And they probably don't reflect public priorities and concerns that exist now because they have become outdated from that time. And so I think the Congress has a very difficult task of trying to work out whether to replace these entirely, and then what to do with acts such as Endangered Species Act, which has sort of overarching objectives that sort of trump the directives of the previous statutes.

But I think the prime issue is twofold. One is to take a look at the extent to which new legislation is needed to replace these outdated ones and secondly, to make them current with public priorities and concerns. So it is an exceedingly difficult concept and that is something that I think Congress needs to grapple with.

Mr. BUTTERFIELD. Well, I am sure, if you would take a poll of this committee, you would find a difference of opinion, even on this committee, as to whether or not we need to make wholesale changes and whether we need to go in and reconcile the four major acts that we deal with.

Let me ask the other two witnesses the same question, if you could briefly address it. Do we really need to get into this and make wholesale changes, or can we as a Congress reconcile the overlapping nature?

Ms. MACSWORDS. Well, the National Association of State Foresters believes, in terms of those statutes that deal with cooperative forestry programs and programs for private forest landowners, you probably don't need wholesale changes. You probably need some tweaking, you certainly need some funding, but we believe that the authorizations are there and the mandates are there to do the kind of work to protect our and assist our private forest landowners, and we just need to move in that direction.

Mr. BUTTERFIELD. I am told that many Congresses ago, and of course I was not here, but that Congress very painstakingly enacted all of these pieces of legislation down through the years, and need to find some way to avoid wholesale changes in the regulations if we can, if it makes sense. Yes.

Ms. MACSWORDS. I will tell you that there are about 187 different Federal programs that have some sort of dealing with forests. They are not all under the purview of the Forest Service. One place that it might be worth looking is at all of the programs and see how they need to be reconciled.

Mr. BUTTERFIELD. All right. Dr. Sample, would you like to respond?

Mr. SAMPLE. Yes. As a lawyer, I think you will appreciate a book that is probably on most desks of the Forest Service, the principle laws relating to Forest Service activities. It is about that thick and very fine type and very thin paper. It is quite a body of law that the Forest Service has to pay attention to. I guess I would just urge the Congress to maintain a flexible approach in its legislative guidance to the Forest Service. And heading the Pinchot Institute, I get

to think an awful lot about things that happened 100 years ago. And 100 years ago when national forests were formed and Gifford Pinchot was providing leadership in that, there was no concept of biological diversity as we know it now. There was no concept of sequestering carbon credits with the Forest Service, sequestering carbon for reducing greenhouse gases.

So we don't know what we are going to be dealing with as challenges 10 years from now or 50 years from now or 100 years from now. So I would urge a flexible approach that allows the Forest Service to adapt to a really quickly changing set of needs and responsibilities.

Mr. BUTTERFIELD. Thank you. I believe my time has expired. Again I want to thank each one of you for coming forward today and giving us your testimony. I have found, since I have been in the Congress, and I have only been here for a year now, that this probably the most bipartisan committee in the Congress. And so if you would work with us, we will work you and we will make some commonsense decisions that all of us can live with. Thank you, Mr. Chairman. I yield back the balance of my time.

Mr. GUTKNECHT. Thank you. The Chair recognizes the gentleman from Minnesota, Mr. Peterson.

Mr. PETERSON. Thank you, Mr. Chairman.

In my district in Minnesota, we manufacture the only domestic snowmobiles in the country, ATVs, and this may be out of your purview, but what is your position on using snowmobiles and ATVs in national forests?

Mr. HELMS. I think it is largely a matter of how much and where. A small amount of use on a small limited area, of course, it is probably not going to be creating an impact. The issue that you have brought up here, I think, pertains to all sorts of forest use. It is a matter of what happens when a particular activity becomes dominating and impacting the values and needs of other users of the system. So it is an issue of how much and where.

Mr. PETERSON. You are not against it as long as it is not causing problems?

Mr. HELMS. Not at all.

Mr. PETERSON. Ms. MacSwords?

Ms. MACSWORDS. What we find in States with too much restriction on ATV use on national forests or even State-owned forests, for that matter, it forces ATV riders to go to private forestlands, where they may not be welcome. And this is one of the largest complaints that we hear from our landowner associations across the country, is the use of ATVs on private forestlands, because they assume that they are there for public use even though it is under private ownership. So there does need to be a balance on the publicly-owned lands so as not to impact those that are privately owned.

Mr. SAMPLE. I guess I would just add that this was one of the big differences in perspective between John Muir and Gifford Pinchot a hundred years ago when the Forest Service was being formed. The Forest Service's approach was to welcome public uses, whether it was grazing and wood production all the way through recreation or wilderness use, to welcome those uses, but then to manage those uses so that they would be sustainable in the long run, and I don't think ATV use is any different from that. I think

the Forest Service wants to welcome those users and help those users to find ways to use the national forests in ways that will sustain that use and other uses over time.

My experience in working with the associations that really represent ATV users is they are very eager to work with the Forest Service to find ways that they can continue to use the national forests without damaging those resources.

Mr. PETERSON. Thank you. Thank you, Mr. Chairman.

The CHAIRMAN [PRESIDING]. Thank you. Dr. Helms, can you give me a few examples of pilot approaches that Congress might authorize on the national forests?

Mr. HELMS. I would like to comment on the importance of this approach first, in that it enables experimental approaches to management that takes advantage of the differences in forest types and the differences in societal needs across the country. Because in a pine forest, management in one part of the country, such as the Alleghenies, probably has little relevance to the way in which you might approach forest management in a totally different part of the world, such as in the Sierra Nevada.

So the advantage of the pilot approach is that it enables the Agency to test alternative kinds of management that are sensitive to local community needs, and address issues that pertain to that particular forest type, and literally in a testing pilot mode, where it is not going to be adopted unless it works. We need to have experience in how to do this in a wide variety of areas, and we have got some good examples of this.

The ones I happen to be familiar with is the Quincy Library Group in California, which had a lot of difficulty in moving ahead with what initially seemed, really a good partnership approach to the management of land. Another one is the Sierra Nevada Framework, which can move ahead in a pilot approach. So I think the concept is one that is really very worthwhile looking at because of the flexibility it provides, and before one gets involved in a broad-scale nationwide policy.

The CHAIRMAN. Thank you. Ms. MacSwords, have the recent record wildfires seasons on public lands disrupted delivery of State and private forestry programs, and are there any in particular that have been severely impacted?

Ms. MACSWORDS. Yes, Mr. Chairman, they have. What we saw a few years ago with the raging fires out west and where the expenses were extraordinary, the Forest Service had to borrow about \$50 million from other Forest Service programs, those programs that directly serve State forestry agencies and private forest landowners. One in particular would be that comes to mind is the Forest Land Enhancement Program, and that is where the \$50 million was borrowed, and only \$10 million was returned back into that account.

What we also saw was that there were some States, especially those in the Northeast area, that didn't get their Federal funding for certain of their programs because of the timing of the borrowing. So it has a great impact on how we operate our State agencies, because we do depend on the funds from the Forest Service to assist us with our programs.

The CHAIRMAN. As you know, I have long been a supporter of the Forest Service's Forest Inventory and Analysis Program. The program was particularly important in the Southeastern part of the United States where land use is very dynamic. What is your assessment of how well this program is working nationwide and in the southeast?

Ms. MACSWORDS. Well, Mr. Chairman, if you had asked me that question a few years ago, I would have a very different answer, but I am pleased to say today that in the South we are pleased with the progress that the Forest Inventory and Analysis Program has made. We are seeing the inventories conducted and reports issued in a much timelier manner. And you are right, the information that we get from the FIA Program is critical to us, not only in the way we use our own resources, but in the way we attract forest industries into our region. It provides the necessary information that we need to conduct our business and to work with private forest landowners.

The CHAIRMAN. Dr. Sample, you mentioned that timber harvest is not the biggest threat to the integrity of either our national forests or our Nation's extensive private forestlands. You noted that weak markets for timber, in fact, are creating a disincentive for private landowners to reinvest in their woodlands, and I wonder if you can elaborate on Federal policies that can help mitigate, if not reverse, those trends.

Mr. SAMPLE. I don't think we are going to do much about changing the broad sweep of global markets. They have taken on a momentum of their own. It is part of the cost of, I guess, being a participant in the global economy. But I think there are some things that are within our purview that we can either protect or enhance that will greatly increase the incentives for good forest management and for forestland protection or conservation on private lands.

Conservation easements right now are under tremendous threat from the possibility of Federal tax incentives associated with those easements being revoked, and that would really take out of our quiver one of the most important arrows that we have for helping private forest landowners to be able to reduce their tax loads and be able to protect their forestlands. So that is something that is before the Joint Committee on Taxation right now.

The other I think is an important opportunity for this committee in the upcoming farm bill. Chief Bosworth mentioned some of the efforts that the Forest Service is leading to try and find new ways to essentially compensate private forest landowners for the many public values that they provide on their lands, whether it is water quality of wildlife habitat.

There is a great deal of discussion right now in this area of ecosystem services and how we can somehow come up with creative financing mechanisms that will allow private forest landowners to be compensated in some way. And these are not necessarily more cost sharing programs or are federally-funded financial incentive programs. Things like the treatable carbon credits represent a potentially huge new source of private capital coming into private forest landownership from private capital markets, not just in the United States, but throughout the world. This is something that we basically invented during in here in the United States, this notion

of a cap in trade approach to reducing emissions of pollutants that we don't like.

In 1990 and the Clean Air Act amendments, this was done with sulfur dioxide and it was tremendously successful. We reduced sulfur dioxide much more quickly than anyone anticipated and at a fraction of the cost. I think there is some opportunity there that may be dealt with in the discussions surrounding the farm bill conservation title in particular that may give the Forest Service some tools they don't currently have to encourage conservation on private forestlands.

The CHAIRMAN. Well, that is very interesting. If you would, as the opportunity arises over the next 2 years, as we work towards completing that next farm bill, share any of those ideas with the committee, we would welcome them and I would repeat that to all three of you. I have a keen interest in our national forests. I have about 1.2 million acres of national forestland in my eastern United States district. So anything that you can share with us that would help to improve the farm bill and improve the quality of the Forest Service or our programs for private landowners, we are interested in having your input as we move forward.

And at this time, it is my pleasure—does the gentleman from North Carolina have questions? You have done yours. Well, thank you very much. Very good. Well, Mr. Butterfield and I have a keen interest in our eastern forest, but we are going to give the last word to our western forest with the gentleman from California, Mr. Baca.

Mr. BACA. Thank you very much, Mr. Chairman, and I thank the witnesses for being out here.

One of the first questions, and I know that it was it asked earlier about the endangered species and like anything else, I do agree that they are outdated and we have got to do something about that. But looking at the revision that needs to be done and hearing MacSwords indicate that we needed to borrow \$50 million and some, do you believe, then, that in dealing with the endangered species and dealing with what we need to deal with in dealing with forests, with national forests, do you believe that we are underfunded at this point? If we are really to look at the demands of changing some of the legislation, looking at demands and needs and especially what happened in California with a lot of the fires that we had there in that area, and when I looked an manpower, it is that we really didn't have a lot of the manpower and that we even had to, I guess, get individuals to come in even from Canada, in terms of our airplanes that we needed during that period of time. Do you believe that we are underfunded at this point and that we should really look in terms of something that would happen in terms of the future, Ms. MacSwords?

Ms. MACSWORDS. Well, as coming from an eastern State that, during the horrendous wildfires in the West, we send crews to help, I think there needs to be a better mechanism for how fire is funded so that the Forest Service doesn't have to borrow from other critical programs to pay for the fire costs. So I guess, in answer to your question, yes, it probably is underfunded, but there has just got to be a better way than taking from programs that support private forest landowners or urban community forestry or research or

whatever to fund fire, and we would hope that you would figure out a way to do that.

Mr. BACA. And how are we doing in reimbursing wherever we borrow the money to make sure that we apply not only the manpower, the services, and are we doing it in a timely manner when we have to borrow?

Ms. MACSWORDS. Well, we call it "borrowing".

Mr. BACA. OK.

Ms. MACSWORDS. That is not what we call it.

Mr. BACA. Then what we are doing is stealing?

Ms. MACSWORDS. Well, we are taking and sort of with the promise to pay back, but they can only pay back, or they can only move funds back into those programs if funds are available. If they are not available, then they are just not there.

Mr. BACA. So we never probably replenish the monies that we took from somewhere?

Ms. MACSWORDS. They were not, no, they were not 100 percent replenished. So we all had, on the State level, had to make some adjustments because of those lack of funds. And the Forestland Enhancement Program was one of the critical ones where we had willing landowners on the ground ready to do management activities and they could not get the funds through that cost share program to conduct those activities.

Mr. BACA. And what effect does it have in manpower?

Ms. MACSWORDS. Well, the effect on manpower —

Mr. BACA. Or woman-power, whatever the case may be.

Ms. MACSWORDS. I mean, if you are talking about State forestry agencies and our own employees, it is a little bit disheartening when our foresters are out working with the landowner who wants to do forest management, needs that cost share assistance to conduct those activities and we have to say it is just not available, it is not there anymore, it had to be used to fight fires out west. And that is a little disheartening, because I have got a waiting list of private forest landowners that could use that cost share money if it were available.

Mr. BACA. But under emergency situations, we are able to respond, though, right?

Ms. MACSWORDS. Under emergency situations for fire?

Mr. BACA. Yes.

Ms. MACSWORDS. Under emergency situations for fire, the Forest Service does respond and the States respond to help. I think what we need to look at is, there are other kinds of emergency situations that impact our forests beside fire. I mean, we have got several major forest health threats that could be just as devastating to our forest, both the national forests and private forests.

Mr. BACA. So what you are saying, though, that we are not able to respond in those cases?

Ms. MACSWORDS. That is correct.

Mr. BACA. OK, thank you very much.

Mr. Helms, can you explain how you envision public land management paying for itself, which is question number one? And what activities do you see as being able to pay for themselves, and what activities would lend themselves to this concept?

Mr. HELMS. Probably public land management could never pay for itself in its entirety, but it is quite likely and perhaps desirable that revenue obtained through such activities as thinning forests or grazing contribute to the overall cost. But I think the important issue here is to recognize that on public lands, the objective is to manage these lands in a sustainable way that produce a whole suite of services and values.

And timber harvesting should be viewed as a vegetation management technique, designed to help put the Federal forests in a condition of health and sustainability. And revenue from those vegetation management treatments, such as thinning, could quite well and legitimately be used to offset costs. And this is distinct from the forests being regarded as revenue-generating, simple in and of itself, where you are managing the forests to produce revenue. I think this has a difficulty in public perception. But the vegetation treatments themselves are ones that are designed to create the forests, in a forest, healthy and sustainable structure.

Mr. BACA. OK, thank you very much. I know that my time has run out, but know that if Mr. Osborne was here, he would yield me the additional. Mr. Chairman, one additional question, if I may ask Mr. Sample.

The CHAIRMAN. You are welcome to.

Mr. BACA. Thank you very much.

Mr. Sample, do you envision any kind of environmental backlash occurring with respect to energy or development on national forests?

Mr. SAMPLE. Well, depending on how the Forest Service is able to accommodate this major push right now for particularly energy, leaseable energy, oil and gas, I know there were photographs that actually made their way into the Washington Post not too long ago. I believe it was actually BLM lands, but it was sort of a long-angle airplane shot looking out over a plain that looked a Northern Virginia subdivision about to go in, with all the streets and cul-de-sacs in there. It was just an amazing matrix of oil and gas development. Clearly, that intensity of development would have major affects on that whole range of other values and uses that are important on the national forests, but I think it is one of those things that is going to have to be looked at and balanced with those other important values and uses.

I think, maybe just to extend on Dr. Helms' comments, these values that are out there, I don't think we are ever going to see national forests pay for themselves on a dollar-for-dollar basis. But some of the recent events, like New York City trying to replace the value of forests that they had had in their forested watersheds, and realizing that it was going to require investing almost \$8 billion in water treatment facilities, in order to simply replace the services that they had been getting from their forested watersheds, they turned around very quickly and repurchased forest areas that they had sold back in the 1970's, when they were in a big financial crisis, because they recognized that, in their case, those forests very genuinely represented \$8 billion, because that is what it would take to replace them.

So I think it is important for us to keep in mind that almost 90 percent of all the rainfall that lands in this country lands first on

a national forest and becomes absolutely essential to agriculture, to industrial uses and municipal uses. That value alone would justify the National Forest System and the average of about \$16 an acre that we spend on the national forest each year.

Mr. BACA. Thank you very much and thank you very much, Mr. Chairman, for allowing me to ask the additional question. Thank you.

The CHAIRMAN. My pleasure. I thank you.

We had a Tennessee-Kentucky horserace and I believe the gentleman from Tennessee won by a nose coming through the door, so I will recognize the gentleman from Tennessee, Mr. Davis.

Mr. DAVIS. Mr. Chairman, thank you very much, and I apologize for running late. Both Mr. Chandler and I have been—we have two committees, both meeting at the same time, the Transportation Committee, which we were trying to move out some legislation today, that it was important, obviously, to attend both of these and then meet at 11:00. I have tried to be two people at once and sometimes having three daughters, I have been successful and want each of them to know that I have been the same daddy to all three of them, but that is difficult to understand. But each of them, you have to treat as if they are certain special. So the committees that we—apparently, we don't have to do that with our committees, but it is good to be here this morning.

And this is something that I have a great deal of interest in. Ms. MacSwords, is that your name? Did I say it right?

Ms. MACSWORDS. You did.

Mr. DAVIS. I live in Tennessee. The Daniel Boone National Forest connects now with the Big South Fork National River and Recreation Park, which you are probably familiar with it also, and part of that is in Kentucky as well, which is about 125,000 acres that has been set aside for recreational use as well as for preserving that area or conserving the area there that, many years ago at the turn of the century, the 20th century, it was pretty much denuded by a tremendous amount of timber cutting, and when you look at Stearns, Kentucky and Stearns Coal and Timber Company, you realize some of the great resources that we had there before the harvesting, and I am not obviously opposed to harvesting natural resources. Our family owns property along the Cumberland Plateau and on the western escarpment of it, which has some pretty good timber on it, so we try to manage it. I do applaud Kentucky's efforts and their forest management plan. In many cases, Tennessee has adopted that we are actually, in some cases, many of our larger timber holders are saying that you have to be a master logger before you are authorized to cut the timber on property that we own.

Now, having given you a little bit of history, I do believe that sustainability of our hardwoods in the Cumberland Mountains, where I represent, and I represent all the entire Cumberland Plateau from Kentucky down to Georgia; that has become a major industry for us. When the announcement was made recently that the furniture industries are closing down and shutting down in North Carolina, it made a huge ripple to Byrdstown, Tennessee, where Mullins Lumber Company has been a major supplier of hardwood timbers for the furniture industry in North Carolina. So sustain-

ability of those forests and being able to be sure that the economy will not be impacted if we don't have sustainable forest products.

I was on a study committee recently in Tennessee when I served in the State senate and we traveled to an area in Natchez Trace, where, in the early 1930's, 1935, it was just a field and it was deeded over and transferred to the State forestry department, and it was then about 65 years old this thing. In 85 years, this will be tourist and timber; in essence, clear-cutting. That would have given us something different than probably what we have talking about. Clear-cutting, that had occurred because the entire land had been cleared and been into pasture fields. When it went to the State, obviously, it reseeded itself. There was no reseeding plan of putting pines or anything else, it just came up on its own. And what appears to be, then it was 1997, so we are talking about it has been what, 6, 7 years. With another 15 years, we will going to be actually able to harvest that because it is ready to harvest.

My hope is that our foresters throughout the Nation will look at all the different management plans and one of those, I think, would obviously be clear-cutting as well as some of the select cutting that we have. And when I look at the initiative that was passed concerning wildfires, that seems to be the only initiative that we have addressed here in Congress. Should we go further than we have?

Ms. MACSWORDS. Yes.

Mr. DAVIS. And I did a lot of rambling. I apologize.

Ms. MACSWORDS. And I followed it.

Mr. DAVIS. You are pretty good, then.

Ms. MACSWORDS. I think what Congress could do to, in this instance, is to direct the Forest Service to be more responsive to the State's need, and I say that because I have heard a lot of discussion today about the national forests and what is happening in national forests, but when you look at forest ownership patterns across the State, there are far more acres in private hands than there are owned by the Federal Government. And they don't operate in a vacuum. There is not this green boundary line that whatever happens on the national forest doesn't affect anything else and vice versa. So we need to be looking at our forests, the large-scale landscape.

So when you talk about what is happening in the Cumberland Plateau and all over Kentucky and all over Tennessee, we are a good hardwood State. Fire on the national forest has a tendency to spill over to fire on private lands, and it is those State agencies that have to come in and put it out. Now, bugs and critters and diseases, they don't stop at the boundary line and we have to work together to protect all of that resource.

So while we are talking about sustainability measures on the national forests, we need to be sure that we are also talking about sustainability of the rest of the forests as well, because it is those private landowners practicing sustainable forestry on their own land that is going to contribute to the economy in your district, in Representative Chandler's district, in all the committee members' districts. If you have got private forest landowners, they need to be able to make a living from their forests, and they need to be able to keep them healthy to protect water, watersheds, clean air. It doesn't just stop with what is happening on the national forests. So

your direction to look at the entire forest landscape would be most helpful in how we address these forest resources in the future.

Mr. DAVIS. I know my time is about up, but if I could have just another moment?

The CHAIRMAN. The gentleman is recognized for 1 additional minute.

Mr. DAVIS. Thank you, Mr. Chairman.

Years ago, in the early 1930's, as a result of the Soil Conservation Service bringing about a knowledgeable plan to farmers on how we could conserve our soil, we now see agriculture production by about 1 percent of the population of this country, where then it was probably 30 or 40 percent that actually lived on agriculture and produced the products. We have seen a tremendous amount of production increase. It is my hope that the State foresters that you represent and the national associations will realize that it is, as you have said, that it is the private landowners that, amongst themselves, are not able to do the studies that are necessary. And I think our national forests and our State forests are ideal places for sustainable forest management practices to be established, and my hope is that that is what this group will continue to do.

Ms. MACSWORDS. And you are absolutely right and you have touched on an issue that in the 1920's, 1930's, 1940's, 1950's, even into the 1960's, the private forest landowner was traditional agriculturally oriented. We don't see that as much today. We are not so much a rural society as we once were and we have a lot of private forest landowners who are not in the agriculture business. They are not in the farming business. They may not even live on that property anymore. So it is critical that we address the needs of this changing demographics and landownership so that they understand the value of this forestland that they own and they are willing to keep it in forest as opposed to selling it for development and having it lost forever.

Mr. DAVIS. Thank you, Mr. Chairman. I yield back my time.

The CHAIRMAN. I thank the gentleman.

The gentleman from Kentucky, Mr. Chandler, is recognized.

Mr. CHANDLER. Thank you, Mr. Chairman. I didn't know whether the gentleman from Tennessee would ever relinquish the floor, but it is very nice to have the opportunity to be here with Ms. MacSwords, my fellow Kentuckian. And I apologize for being here late. I would have liked to have been here to give you proper introduction as the only Kentuckian on this committee, but I can outdo the gentleman from Tennessee. I had three committees meeting all at once, rather than two, and it gets a little difficult.

I want to congratulate you and all of your cohorts in Kentucky on the way you manage our forests. Clearly, our forests are critical to the State. They are absolutely beautiful and we are very, very proud of them. I don't have a great deal of national forests in my district, but I do have some of the Daniel Boone National Forest in Estill County and Powell County. And I know you are familiar, probably, with every mile of that forest. But it is something that we are all very, very proud of and I commend you and commend the Forest Service for what they do on behalf of all of our citizens.

I would actually like to ask a question of Dr. Sample, something that intrigued me in his testimony. I understood your testimony,

Dr. Sample, to say that you felt like the Forest Service had lost the trust of the public, and I thought that was an interesting notion and I was wondering if you could expand on that a little bit to give some idea about why you believe the Service has lost the trust of the public and what needs to be done to regain it.

Mr. SAMPLE. Well, what I was talking about was some of the controversies that really began in the 1960's and really sort of came to a head in the 1970's, in large part, produced the National Forest Management Act of 1976, one of the really core pieces of legislation that guide the Forest Service's activities.

Up until that point, the Forest Service was one of those, it was probably the most respected and admired Agency in the all of the Federal Service. I still have copies of Life Magazines from the 1950's with Smokey the Bear and whatnot on there.

Mr. CHANDLER. Every child wanted to be a forest ranger, too.

Mr. SAMPLE. Absolutely. That is what got me into it. But I think, with the response to the issues over clear cutting and timber harvesting, impacts that people felt that a level of timber harvesting on the national forests by the late 1980's, actually approached 12 billion board feet a year, that that was having unacceptable impacts on other resources and yet, in their perception, the Forest Service wasn't really responding to that, and they had to be dragged into court and forced to do it. And so we have this record of 20, really almost 30 years of just intensive litigation against the Forest Service. Here again, formerly one the most admired and respected agencies in Government.

So I think what I was trying to express was that in that era, a great deal of public trust was lost. Questions were raised about the appropriateness of the Forest Service's management of the national forests. And I think, over time, they have built back that trust, but it has taken a long time. It is like missing a mortgage payment, you can pay your mortgage on time every month, month after month and everything is great. You miss it once and it takes you a long time to establish your credit record again. And I think that is the way it has been for the last couple of decades with the Forest Service. Where they are right now I think is in a very good position. I think they are coming back around to where a very broad cross-section of Americans with a lot of different interests in uses and values on the national forests are seeing the kind of valuable role that the Forest Service can play and does play.

Mr. CHANDLER. Well, I have a great deal of sympathy for the Forest Service because you find yourself playing referee, and find yourself in the middle of competing interests quite often, and that is not always a popular place to be, and I think some of us on this panel are somewhat familiar with that kind of position. But I commend you and I hope that you all continue to do the good job that you are doing, because it is so critical to all of us. It is critical to what we leave to our children and our grandchildren. You are protecting the future and it is all about stewardship and I think it is just very special. Thank you.

The CHAIRMAN. I thank the gentleman.

The gentleman from Texas, Mr. Cuellar, is recognized.

Mr. CUELLAR. Thank you, Mr. Chairman.

Let me ask you a question. From your perspective, and this goes to all three of you all, what should be the vision of the Agency? And I know that you are on the outside, but looking at the Agency, what should be the vision of the Forest Service, the vision, and what should be some of the specific objectives, and what are some key performance measures that we ought to be looking at to measure the work? And there might be some contradictions, but in your opinions, you know, what should be the main goal of the Forest Service, No. 1? Number 2, how do we measure, I mean, what are the key measures that we as legislators, to provide oversight, we should be focusing on?

Ms. MACSWORDS. Well, from the perspective of the National Association of State Foresters, I mentioned it earlier, that the Forest Service should have a broader vision of all forests. I mean, they say that, but I am not quite sure that it is always clear in their actions; that there is always so much focus on what is happening on the national forests. And that needs to be expanded to include all forests. Because, like I said, they don't operate in a vacuum. What happens in one area can, in a short period of time, impact across the country.

So if they would look at what is happening with their vision of all forests and design their programs so that it crossed the boundary, so that if a Forest Service employee is working on a national forest, it is OK to work with private landowners, I mean, for crossing the boundary, if you will. And give equal importance to the national forests, to their State and private forestry programs, and to research. They say it is equal, but sometimes I am not always convinced that it is; that it has that cross-connection that it needs to make the Agency more efficient and more effective in protecting our forests.

Now, the specifics of strategic planning, if you wanted to look at how successful this was in the end, is if we, in the end, have healthy sustainable forests and that threats are addressed quickly, whether it be fire, whether it be insects, whether it be disease, whether it be the damage that is the result of a hurricane or an ice storm or other forces of nature, if it can be responded to quickly and effectively, regardless of ownership of those forests, then I think you will have a successful program.

Mr. CUELLAR. Do you as, and I will use this word loosely, as a consumer, a potential consumer, of the Forest Service, I mean, if I were to ask you right now, what is the vision, what are the key performance measures, what do you see right now? And I am not being critical of the Forest Service, one of the things I will be talking a lot more is about performance-based budgeting, results-oriented, what is the mission, what is the vision, what are the performance, what are the benchmarks. Just in a snapshot, just at the moment, what do you see as a consumer? As a customer.

Ms. MACSWORDS. As a consumer and as one that has to report performance measures to the Forest Service, what I find difficult is that it is awfully hard to count individual activities and be able to show that is a measure of success with healthy sustainable forests. In other words, it is difficult to say I talked to 10 landowners and be able to translate that into these are the number of acres

that are being actively managed. So it is hard to find that performance measure.

Mr. CUELLAR. Right.

Ms. MACSWORDS. Especially when you are dealing with forests which are sort of a long-term venture in a short-term world. You need an answer with every budget cycle. And we may not see the results of our activities and how effective they were in having a sustainable forest for 10, 15, 20 years down the road. So that is a tough one, and I know the Forest Service has been wrestling with it, and certainly State agencies have been grappling with this issue; how do we show we are effective in what we do with a year or a 2-year or a 3-year budget cycle on a resource that takes 10, 20, 30, 50, 120 years, in some cases, to show growth in that resource?

Mr. CUELLAR. Are the measurements that you are seeing right now, is that more on activity, measurement of activities, or measurements of outputs or results?

Ms. MACSWORDS. Well, I know that they are working right now to change the way they look at activities and outputs and measures, and that is probably a question that is best answered by the Chief, because States are kind of waiting now to see what are we going to be asked to report. And we are more than willing to participate in any way that we can, and we have had input into the changes that they are making in their own performance measuring.

Mr. CUELLAR. I am sorry. You do have input or you don't?

Ms. MACSWORDS. Yes, we do.

Mr. CUELLAR. OK.

Ms. MACSWORDS. We have seen copies of their proposed changes and the National Association of State Foresters and State forestry agencies have been providing input. But clearly, our concern is that whatever we are asked to measure is in fact something we can measure and that it will accurately reflect what is actually happening on the ground. And it is a tough issue. It is not like you can say I am supposed to make five widgets today and here are my five widgets. I have got to be able to show that I have protected and have managed hundreds and thousands, and in Kentucky it is along the line of 11.9 million acres of forestland, and I have to be able to show that and that is a tough one.

Mr. CUELLAR. Anybody.

Mr. SAMPLE. Sure. The Multiple Use Sustained Yield Act of 1960 requires the Forest Service to manage the national forests and I think, even broader in their other responsibilities and how they interact with the State and private forestlands to really focus their efforts on end results. The Multiple Use Act says you will manage for a whole variety of uses, the combination of which is not necessarily going to give the greatest dollar return, but the end result is, you protect the basic underlying productivity of the resource, so that whatever it is needed for 50 years or 100 years from now, the basic underlying productivity of the resources therein has been protected.

The Forest Service has been experimenting since the mid-1980's, I believe, in various approaches to end-results budgeting and ways to work more creatively with OMB and with the appropriations committees to focus on end results. What is that we really want as

a condition at the other end of the pipeline, and are there more efficient ways of doing that? And I think they have demonstrated, actually through a series of pilot studies, that there are some tremendous efficiencies available by taking out a lot of the extreme detail of extended budget line items. You think about a district ranger out there on the ground who has to keep track of his or her time in any one of 175 different budget line items and charge their time appropriately, it just doesn't happen. So I think there are some opportunities that perhaps have not been fully explored for the Forest Service and Congress and OMB to come to terms on a much more efficient approach that is oriented to positive end results.

Mr. CUELLAR. Mr. Chairman, one of the things that I would like—thank you very much to you all. I appreciate it. One of things I would like to talk to is ask if the chairman and the committee would consider as we bring some of the agencies, for them to just outline in one page their mission and what are their performance measures, because, I mean, for us to perform budget oversight, and that is what I think we are doing here, we have been doing when we have these meetings, it will be nice to know what direction we think the Agency should go to and what key performance and have a dialogue as to some of those performance measures.

One of things, and I did my dissertation on this in the State of Texas, and one of things I see sometimes, agencies, I mean, when they start measuring things, they are measuring activities and it is really not that important; counting how many pencils you have as opposed to how many trees have been planted or whatever the goals might be. But I would ask that the chairman and the committee to consider asking agencies, when they come in, to bring, and I am not picking on the Forest Service, but I mean in the future, as you consider some of those performance measures, I think it would provide a lot more dialogue if we see some of those performances for committees to interact with agencies.

The CHAIRMAN. Well, that is a very good suggestion, and as we work toward the next farm bill, we may ask some of the agencies, when they come into testify, to give us their list of accomplishments or lack of accomplishments, as the case may be. I thank the gentleman.

Mr. CUELLAR. Thank you, thank you.

The CHAIRMAN. I want to thank all of our witnesses for contributing to this historic hearing. As I noted, I will introduce a resolution later today honoring the Forest Service for their accomplishments and recognizing 100 years of existence, and urging them to seek ways to continue to deliver their multiple use mandate efficiently. I appreciate the efforts of the professionals in the Forest Service as they seek to the implement a complex web of laws and regulations in an increasingly challenging environment. I believe it is up to us as the Congress to set clearer policies and to take responsibility for the future of our forests. And I want to thank all of our witnesses for their contribution today.

Without objection, the record of today's hearing will remain open for 10 days to receive additional material and supplementary written responses from witnesses to any question posed by a member of the panel. This hearing of the House Committee on Agriculture is adjourned.

[Whereupon, at 12:15 p.m., the committee was adjourned.]

[Material submitted for inclusion in the record follows:]

STATEMENT OF JOHN A. HELMS

Mr. Chairman and members of the committee, I appreciate the opportunity to provide testimony today on the USDA Forest Service, its progress over the past century and opportunities as we look to the future. As President of the Society of American Foresters (SAF), whom I represent today, I would like to express our thanks to the committee for its continuing support for forestry and forests, both public and private. SAF represents over 16,000 professionals who work everyday as stewards of both public and private forests that each and every individual in our society relies on for the essentials of life. Throughout the past century, SAF has grown up with the Forest Service, starting from the very beginning when Gifford Pinchot first led both organizations. SAF throughout its history has been greatly involved in policy debates surrounding the Forest Service and the Federal lands. A recent example of this involvement is an SAF task force report titled Forest of Discord: Options for Governing Our National Forests and Federal Public Lands (1999) which depicts some of the current problems facing the Agency and outlines recommendations to improve management of the Federal lands. SAF continues to partner with the USDA Forest Service as we have from the very beginning, to achieve our common goal: making sure this country's forest resources are managed to benefit current and future generations.

The Forest Service has had many successes in land management throughout the past century. These successes are marked by many challenges as well. In the early years, the Agency was commonly regarded as the prime example of a well functioning Federal agency. As such, probably the greatest success of the Agency in the first part of the century was establishing and implementing management practices to meet the needs of the public on the 192 million acres of national forest system lands. The phrase—to meet the needs of the public—is particularly important and should remain the cornerstone of the Agency's mission. Today, this concept is fraught with many challenges. Until recently, not only has the Forest Service applied the best available science to the management of the national forest system lands in efforts to keep them healthy and resilient, they have, at the same time, strived to meet the continuously changing expectations of the people for whom these lands are managed. Currently though, the Forest Service faces severe issues related to declining forest health, invasive species, and increasing risk of wildfire making the successes seen in the first part of the century difficult to attain in the latter half.

In the early days of the Agency, the Congress and the public demanded a timber supply, range allotments, and protection for water resources. Then came needs for fire protection and many other concerns until today where the Agency seeks to meet often competing expectations for such needs as forest products, watershed protection, wildlife and fish habitat, grazing leases, recreational opportunities, and aesthetic beauty. Recently, however, these growing public expectations have become increasingly challenging.

Today, with conflicting and overlapping legislative mandates, the Forest Service does not have a clear mission or vision guiding the management of the national forests. As the demands on Federal forests change, the Forest Service's legislative mandates have become increasingly complex, conflicting, and outdated with laws such as the Endangered Species Act of 1973, the National Environmental Policy Act of 1969, the Multiple-Use Sustained Yield Act of 1960, the National Forest Management Act of 1976, and regulations as well as continual court challenges and decisions. This situation will not be resolved until Congress closely examines these conflicting mandates and clarifies the mission and goals of the national forest system in light of today's growing and changing public attitudes.

This problem is manifested with today's multiple-use mandate for these public lands. At the time it was established the multiple-use framework for these lands made sense. However, as society's relationships with its forests becomes more complex, this framework has been interpreted to mean all things for all people on all lands. The idea of providing diverse goods and services from the national forest system lands is still a laudable goal. However, our understanding of forests has changed dramatically since this concept was put into place. We have seen a significant shift from simply providing for all these uses to managing for healthy, resilient forests with provision of tangible uses becoming secondary to ensuring that forest systems function in a balanced manner. This shift to an "ecosystem management"

or “sustainability” approach is not reflected in the current mandates for the agency, particularly in the outdated Multiple Use Sustained Yield Act of 1960.

Because of this shift, Congress needs to examine whether the multiple use framework for national forest system lands should remain the Agency’s prime focus. While the idea that the Forest Service should provide a balanced variety of goods and services from these lands remains desirable, perhaps this is better founded on principles of sustainability. This concept is based on the fundamental interconnectedness of environmental, social, and economic processes and values. Each of these is a critically important component for ensuring that forest resources can be sustained over time. In lieu of applying this principle we see Federal forests as a currently unsustainable resource with significant forest health and protection issues. Until the mission and purposes of Federal lands are clarified and a framework for management is provided, the Nation’s forests will never be sustained for the greatest good for the greatest number in the long run.

With the articulation of new congressionally designated mission, the Agency can begin to rebuild trust with the public whom they serve. Other challenges exist such as shrinking budgets, retiring personnel who are not being replaced with those having similar integrated education unique to the forestry profession, and limited public understanding of renewable resource use and management as the population becomes increasingly urbanized. However, clarifying the Agency’s mission and purpose is a critical prerequisite to enabling the Agency to truly “protect the land and serve the people”.

As an interim measure to begin moving forward, Congress should consider authorizing the testing of different approaches to sustainable land management through the use of pilot projects. Although not a new idea, it is an important mechanism that allows examination of alternative approaches to adaptive management prior to adoption on a broader scale. Stewardship contracting is one recent example of a pilot program that was tested, found useful, and applied on a more widespread scale. We continue to learn how to perform stewardship contracting better, and hopefully, with Congress’ help, we can take those lessons and improve the law. The Forest Service has a unique capacity to use the pilot approach because of its distinctive functions of both research and practical on-the-ground management that directly or indirectly affects the 749 million acres public and private forests. No other Federal land management agency has these unique functions within their domain to the extent occurring in the Forest Service. The concept of pilot projects integrates the decentralized nature of the Agency, permitting local and site specific needs to be addressed and helping with public interactions at the local level.

There may also be reasons to think more boldly about whether the correct implementation model is being applied. The Nation has developed a Federal/State partnership in the implementation of such landmark environmental measures as the Clean Air Act, the Clean Water Act and the Surface Mining Reclamation Act. Yet there has been an assumption that Federal land policy should only be developed and implemented at the Federal level. Recent changes of the Roadless Rule recognize that states have a defined interest in Federal lands and it may be worth looking at greater involvement across all Federal lands issues.

In considering the future I’d like to focus on three areas that I find enormously important for their potential to have dramatic affect on the stewardship of forest resources, both domestic and international. These are: sustainable stewardship of Federal forests to meet the diverse needs of society, the role of the Agency in providing leadership in State and private forestry, and the need for a dynamic research arm to provide the knowledge base necessary for science-informed decision making.

First and most importantly, the Forest Service must serve as professional managers and stewards of the Nation’s Federal forests. Throughout the world, history has shown that the health and welfare of society is dependent on the health and welfare of forests. This requires the Agency to have a Congressionally-mandated mission and a dedicated and adequately-sized professional staff. It is imperative that the Nation’s Federal forests be professionally managed to meet in perpetuity the diverse needs of the people—from sustainable wood supplies to wilderness—in a balanced, ecologically sound way. To pay for the costs of sustainable management, the Forest Service needs to revisit Gifford Pinchot’s basic concept that public land management should pay for itself. While this certainly won’t happen overnight and some activities understandably won’t be able to pay for themselves, it is a worthwhile goal where feasible and should not be ignored.

Second, the State and Private Forestry functions of the Agency are critically important. The United States is unique in having such a diversity of forest ownerships including Federal, state, industrial, private non-industrial, and tribal. In particular, the Forest Service can assist the states and the private sector in reaching the more than 10 million family forest landowners. In total, the State and private forestry

functions of the Forest Service have the potential to influence over two-thirds of this country's forests as compared with the one-quarter affected by the national forest system. These private forests provide the bulk of our domestic supply of forest products, cover a much larger portion of watersheds, supply millions of jobs and fuel economies in rural areas across America, serve as habitat for wildlife and fish species, and offer growing recreational, hunting, and fishing opportunities. It is these forest lands, however, that are most vulnerable to conversion, fragmentation and parcelization. Unless all forest lands are well managed and meet owners' economic and personal needs, their conversion to other uses will dramatically impact the overall health and welfare of the Nation. Congress could enhance the development of better linkages and integration among forest land ownerships to ensure that society benefits from the diverse functions these lands provide. We appreciate the work that this committee and you, Mr. Chairman, have done to emphasize forests in the broader natural resources arena and hope we can continue to assist you in this endeavor.

The third priority area is the forestry research and development function of the Forest Service. In these times of greatest information needs we have a Forest Service research arm that has had a 50 percent decline in numbers of scientists—from 985 scientists in 1985 to 468 today. This precipitous decline in research capacity seems quite indefensible given the enormous and expanding demand for new techniques and understanding needed to deal with the complex interaction of biological, managerial, and social issues involved in sustainable forest management. The Forest Service research arm can probably never have all the scientists needed to address all these complex resource issues alone. Consequently, greater emphasis should be placed on increasing high-quality collaboration with other research bodies such as the forestry schools, private industry, non profits, and others. In addition, to make the best use of scarce resources, the Forest Service could establish better connections with the users of forestry research, making this information accessible and usable by on-the-ground practitioners.

Over the last 100 years, the Agency's prime concerns have evolved through custodial, utilitarian, and stewardship approaches. Given the supreme importance of sustained, healthy, diverse forests to the Nation's welfare, the Forest Service must have a clear mandate, clear and consistent laws and regulations that guide Federal forest land management, provide leadership in management and conservation across all forest land owners, and have a research arm of sufficient capacity to permit the best possible decisions and forest policy development.

Mr. Chairman, thank you for this opportunity to provide testimony and contribute to discussion as part of the 100th year celebration of the USDA Forest Service.

STATEMENT OF DALE N. BOSWORTH

Mr. Chairman and members of the committee:

Thank you for inviting me to testify on the occasion of the Forest Service Centennial. This anniversary commemorates not only the proud history of our agency, but also the fundamental concept of conservation. One hundred years ago, on February 1, 1905, President Theodore Roosevelt signed into law a bill passed by Congress assigning the management of the Nation's forest reserves to the Department of Agriculture's Bureau of Forestry. On July 1, 1905, the newly named Forest Service began operations with some 500 employees and a visionary leader, Chief Forester Gifford Pinchot.

I am proud to be the fifteenth Chief, representing over 30,000 dedicated employees at today's hearing. I have worked for the Forest Service for nearly forty years, and was raised in a Forest Service family, so I've known Forest Service employees all my life. I've seen them go through some ups and downs as times have changed, and I've drawn inspiration from their tremendous dedication to conservation.

It all began in 1891, when Congress changed the policy of disposing public lands for private purchase and gave the President power to set aside forest reserves for public purposes. This revolutionary idea set the United States apart from all other nations in the world.

The 1897 Organic Act initiated management goals for the forest reserves that included improvement and protection, securing favorable water flows, and providing a continuous supply of timber. When the Forest Service was created in 1905, there were 60 forest reserves (they were renamed national forests in 1907) covering 56 million acres. Today the Forest Service manages 193 million acres in the national forest system, with 155 national forests, 20 national grasslands, and one Tallgrass Prairie in 44 states, Puerto Rico and the Virgin Islands. We have the leading research and development organization for forest and rangeland sciences. We are also

responsible for promoting the sound management of all the Nation's forests, both public and private, by offering support and assistance for state, tribal, and private forestry. And, because today's forestry issues are increasingly global, we have strong international programs.

As we look to the future, it is appropriate to consider the Forest Service mission statement: "To sustain the health, diversity, and productivity of the Nation's forests and grasslands to meet the needs of present and future generations." While this statement may seem clear, it is inherently ambiguous. Different people may attach different meanings to the words, and differing needs can, and often do, create conflict. However, the ambiguity inherent in the Forest Service mission has given us the flexibility needed to adjust to changing times. Unless we can adjust to change, the Forest Service cannot sustain the changing landscapes we care for, nor can we meet the changing needs of the people we serve.

Forest Service history bears that out. In the past century, we have been through several very different eras of national forest management in response to society's needs, and now we are moving into a new one.

A century ago, our Nation faced a crisis caused by the unrestrained exploitation of our natural resources. The opening of the West in the years following the Civil War brought tremendous change to relatively pristine landscapes. As railroads opened the West, the natural resources along their tracks were often overused. In many cases, unregulated timber operations and overgrazing resulted in severe erosion. Elk and other game were hunted to near extinction. Wildfires consumed forests and communities.

The conservation era grew out of that crisis. In the U.S. Department of Agriculture, a bureau of forestry was created to work with private landowners to improve forestry techniques and to promote systematic studies of commercial forest trees. These functions would later become the State and private forestry and research branches of the Forest Service. The national system of forest reserves established in 1891 became the basis for today's national forest system. When management responsibility for the forest reserves was transferred from the Department of the Interior to the Forest Service in 1905, the new agency published the Use Book, which provided management guidelines for resource use. Among the regulations for timber cutting, grazing, fire fighting, and land uses was the now famous statement: "where conflicting interests must be reconciled the question will always be decided from the standpoint of the greatest good of the greatest number in the long run."

With the active involvement of Chief Forester Gifford Pinchot, President Theodore Roosevelt expanded the national forest system, which grew from 56 million acres in 1905 to 172 million acres in 1910. After the 1911 Weeks Act authorized purchase of private lands, the national forest system expanded further into the eastern and southern United States. It is difficult to imagine now, but most of these treasured forests were acquired as abandoned cut-over, farmed-out, or mine-wasted lands.

The next era was one of social responsibility in response to the Great Depression. To reverse erosion that brought about Dustbowl conditions, the State and private forestry and research branches helped plant shelterbelts in states from North Dakota to Texas. Every national forest had at least one Civilian Conservation Corps camp, giving jobs to thousands of young unemployed Americans. The CCC helped to control fires, restore landscapes, and they built a tremendous amount of infrastructure, including roads, trails, cabins, campgrounds, ranger stations, and lookout towers.

World War II brought an end to the CCC and the Nation began a new effort to supply wood and other materials for the war. The Forest Service research branch expanded its mission to fulfill military needs, developing synthetic rubber, for example. During this time, the Forest Service worked with State foresters to establish the Cooperative Forest Fire Prevention Campaign to protect forests from fire. The Smokey Bear fire prevention campaign was born of this partnership.

The end of World War II ushered in a new era with a focus on timber production. The national forests were needed to provide wood for a growing housing demand. From the 1960's through the 1980's, every administration, with strong congressional support, called for more timber from the national forests. By the 1980's, the national forest system produced 20 to 25 percent of our Nation's timber needs annually. Under its multiple use mission, the Forest Service also protected and delivered numerous other values, goods, and services, including range for livestock, clean water, fish and wildlife habitat, wilderness areas, and recreation opportunities.

The postwar period also saw the development of a system of multifunctional research centers and experimental forests supporting forest and range management needs. The State and private forestry branch made advances in forest protection and enhancement through pest and fire control.

Beginning in the 1960's, recreation use grew; the demand for resources increased, ecological concerns expanded, and public values began to change, bringing about a series of new laws. These laws included the Multiple-Use Sustained-Yield Act of 1960, the Wilderness Act of 1964 and an array of environmental legislation in the 1970's, such as the National Environmental Policy Act, the National Historic Preservation Act, and the National Forest Management Act.

These new laws provided greater access to the courts for citizens when they did not agree with Forest Service management decisions. The Forest Service learned that the public wanted more of a say in forest management and they wanted us to focus more on delivering values and services like wildlife habitat, clean water, wilderness and heritage resource protection, and recreation.

By the 1990's, under the combined pressures of delivering multiple goods and services, including large amounts of timber, while preserving other values, the Forest Service's ability to meet public expectations was overwhelmed. During this transitional period, the Forest Service began moving toward a new ecosystem-based model of land management. This transition was challenging but necessary.

It was necessary to address four issues that pose grave threats to the well-being of our Nation's forests in the 21st century. Whether Federal, state, tribal or private forest lands, I believe the public's attention should be focused on what I call the Four Threats.

First is fire and fuels. In several of the last few years we have witnessed fire effects that are far outside the historic range of variability, with our worst fire seasons in 50 years. Wildfires have led to the loss of dozens of lives and thousands of homes, and we've had record firefighting costs. In the last Congress, this committee played a major role in passage of the first major legislation affecting national forest management in a generation, the Healthy Forests Restoration Act, which responds to the threat to ecosystems from wildfire and fuels. The Forest Service has given implementation of this act high priority, and in fiscal year 2004, we met or exceeded our goals for the treatment of hazardous fuels within the wildland-urban interface.

Second is the spread of invasive species. While not as dramatic as wildfires, invasive species can be as devastating economically and ecologically, and the rate of new introductions has been increasing. The Forest Service recently released a strategy to guide invasive species work through four program elements: prevention, early detection and rapid response, control and management, and rehabilitation and restoration.

Third is the loss of open space. Every minute, America loses more than 3 acres of open space to development, resulting in fragmentation of valuable habitat that many plants and animals need to survive. Loss of "wide open spaces" diminishes the cultural heritage that is part of the American tradition.

Fourth is unmanaged outdoor recreation. In many places, recreational use is exceeding our management capacity and damaging resources. The unmanaged use of off-highway vehicles is a prime example of this problem.

The Forest Service has focused on these threats over the past several years, and we are making strides to address them. At the same time as we focus on these, we also have a large backlog of work to complete, including the repair of roads, culverts, and aging facilities; remediation of abandoned mines; and restoration of unhealthy watersheds.

Beyond these threats to our Nation's forests, we face larger conservation challenges. Today we live in a global economy, and market dynamics are challenging some longstanding assumptions about delivering goods and services from forests in the United States, whether public or private. As noted in the 2005 U.S. Department of Agriculture Trade Forecast, it is likely that importation of wood products will continue to grow. This has some serious potential implications, such as contributing to unsustainable logging practices in other countries, reducing the industrial infrastructure needed to process wood in the United States, and even increasing incentives for forest landowners to sell land for development, resulting in additional loss of open space.

Although traditional approaches such as conservation easements can play a role, other incentives may also be helpful for private landowners to stay on the land and manage it sustainably. Of course, maintaining national forests and grasslands for their intrinsic value to society also provides a public good. These issues are complex, and we will be working on them in the years to come.

The Forest Service is at a crucial moment in history. The challenges I have outlined will set the agenda for its next century of service. The Forest Service is uniquely positioned to meet these challenges through its strong traditions of collaboration, science, and flexibility.

During our centennial year, the Forest Service has taken the opportunity to reflect on where we have been, our role today, and where we are headed in the next

century. We've held a series of Centennial forums throughout the Nation involving hundreds of Federal, state, local, tribal, and private individuals and organizations, culminating in a Centennial Congress held in January of this year. It commemorated an event in January 1905, when a similar group of people gathered in Washington DC for the first American Forest Congress. Recommendations from that first Congress resulted in the creation of the Forest Service.

The Centennial forums have helped us learn more about what the American people want of a future Forest Service. We received hundreds of comments, which we are still sorting through, though some major themes emerged. They included finding ways to serve an increasingly diverse population; increasing accountability and developing new business models to maintain organizational flexibility; focusing on biomass utilization; addressing recreation challenges brought by increasing demands; integrating science and technology; and increasing partnership and collaboration to work across jurisdictional and ownership boundaries.

In whatever the Forest Service ends up doing, it is clear that the American public wants us to work with others in facilitating a collective commitment to conservation. Today, the Forest Service is focused more than ever on improving what we call community-based forestry.

We are taking several approaches to refocus our efforts toward community-based forestry. The President's Healthy Forests Initiative includes an array of activities to improve the health of forests at risk from fire, insects, disease, and other threats. It involves communities, states, tribes, and citizens working together through development and implementation of community fire plans.

Stewardship contracting is another great way to involve the community in managing the land, by working together with successful bidders to outline desired landscape outcomes, and reinvesting the proceeds into restoration work.

The new planning rule, on which this committee recently held a hearing, will encourage more effective public participation by reducing the time it takes to complete a plan from about 7 years to about 3 years. It will also allow us to focus on issues in the future more quickly and with more flexibility to incorporate the best available science into planning as we learn. The process includes independent third-party audits and increases our accountability and the transparency of our monitoring process, something the public and interested communities have asked for.

The Forest Service is improving some of our processes to make them more responsive to current conditions by reducing gridlock. We are also transforming our business operations to provide more effective, efficient administrative services for employees and the public at a lower cost, so that we can invest more fully in our primary resource mission and to address future needs.

Mr. Chairman and members of the committee, you have asked me to reflect upon the Forest Service's greatest achievement in its first century. In my opinion, our greatest achievement is undoubtedly the Nation's forests and grasslands themselves, both public and private, and all that they encompass. They are a safe haven for many plants and animals, a refuge for citizens seeking recreation and rejuvenation, a provider of products and services, an economic engine, a source of clean air and water, and a legacy for our children.

One hundred years ago, our Nation looked into the future and decided to set aside public lands for the public good. Through restoration and sustainable management, with the tools that the Forest Service uniquely provides, these lands have become more treasured than our predecessors could have imagined. Our legacy to the future is to continue that conservation ethic with others, here in this Nation and around the globe. We commit ourselves to the tasks ahead with hope and optimism, because we believe that this Centennial is a new opportunity to join together with others in a collective commitment to conservation.

I look forward to continuing to work with the committee. I appreciate the committee's role in shaping the statutory framework and providing the oversight that has allowed the Forest Service and its dedicated employees to be wise stewards of the public's national forests and grasslands over this past century. I will be happy to answer any questions you might have.

ANSWERS TO SUBMITTED QUESTIONS

You said the Forest Service is "transforming [its] business operations to provide more effective, efficient administrative services for employees and the public at a lower cost." Can you elaborate on this and list what specific steps are being taken? Do you have an estimate on how much money these steps would save?

The Forest Service Business Operations Transformation Program (BOTP) consists of implementing a new national information resources management organization,

redesigning our budget and finance function, and streamlining the way in which we support our human resources. In keeping with the Forest Service Strategic Plan and the President's Management Agenda, we are using a combination of tools including competitive sourcing, process reengineering and the centralization of certain business operations.

We are committed to more cost-effective business operations so that we can get a larger percentage of our overall budget to the ground. The key benefits of this project include:

- More time for regions and field offices to focus on land management issues
- Reduced indirect costs to focus on Forest Service mission
- New technology will help speed up and simplify processes
- Access to consistent and accurate budgetary, cost and performance information

We will gain these efficiencies while reducing the number of personnel (full time equivalents) performing the functions by nearly half—from about 2903 to about 1651. Based on the respective Business Case for each effort, we anticipate annual savings for each of the three efforts will be:

Information Resource Management \$30 million
 Budget and Finance \$36 million
 Human Resource Management \$25 million

The new, centralized organization, located in Albuquerque, NM, will be fully staffed and functional in early FY 2006. We have again accomplished our goal of achieving an unqualified, "clean" audit opinion in FY 2004. This third consecutive unqualified audit opinion demonstrates that the agency is making positive strides in financial and performance accountability and sustainability.

This topic also came up during the Forest Service's Centennial Congress. Will recommendation No. 5 from this event—Increasing Accountability/New Business Models (Fostering an Innovative, Flexible, and Accountable Organization)—be implemented?

The Centennial forums helped us learn more about what the American people want of a future Forest Service. We received hundreds of comments, which we are still sorting through. As evidenced by our work in the Business Operations Transformation Program, our strategic planning, and the Performance Accountability System, we are already moving toward a more accountable organization.

Many of the themes in your testimony can also be found in the Forest Service's Strategic Plan for fiscal year 2004–08:

• In the strategic plan, you commented that the Forest Service has "a performance and accountability report, which details the ways that people benefit from [your] work." Could you highlight the findings of this report?

• The Fiscal Year 2004 Forest Service Performance and Accountability Report is posted in its entirety on the Forest Service internet site: <http://www.fs.fed.us/plan/par/2004/>. The report measures the Forest Service's performance against the targets set in the USDA Forest Service Strategic Plan for Fiscal Years 2004–08. In 2004, the Forest Service:

• Developed new tools under the Healthy Forests Initiative and Healthy Forests Restoration Act to reduce process gridlock, including established stewardship contracting categorical exclusions that enable priority fuel treatment and forest restoration to proceed quickly and revised the administrative appeals process specific to fuels and forest health projects.

• Achieved significant hazardous fuels reduction.

• Saved an estimated \$20 million as a result of a service-wide Information Technology Competitive Sourcing Study.

• Initiated business process reengineering for our Human Resources and Financial Management Staffs.

• Issued a proposal for a national approach to motorized use on the national forests and grasslands to enhance recreational opportunities for the public and better roads, trails, and areas.

• Adopted and used the Office of Management and Budget's Program Assessment Rating Tool to assess the performance of our wildland fire management program, the Forest Legacy Program, programs for improving and maintaining national forest land, programs addressing invasive species, and our land acquisition program.

• Created a Partnership Office to focus on strengthening and building partnerships integral to the sustainability of the Nation's forests and grasslands.

• Entered into an agency wide memorandum of understanding with the Bureau of Land Management, the U.S. Fish and Wildlife Service, and private conservation organizations to improve access for hunting and fishing opportunities on Federal

lands and to increase the availability of information about such opportunities to better serve hunters and anglers.

The financial and performance data presented in this report are complete and reliable. This report also documents our progress toward complying with the Federal Managers' Financial Integrity Act (FMFIA). Except for areas of improvement identified in this report, the Forest Service is providing reasonable assurance that our systems of internal control comply with FMFIA's objectives. Additionally, based on the work performed during fiscal year 2004, the agency's financial management systems comply substantially with the objectives of FMFIA, with the exception of any financial system nonconformities identified in this report. The "Management Controls, Systems, and Compliance with Laws and Regulations" section of this report presents findings from the Office of Inspector General and the agency's planned actions to resolve those challenges.

We have an obligation to the American people to deliver the mission as efficiently and effectively as possible. With continued sharp focus on financial, budgetary and performance accountability, we will meet that obligation.

Does the Forest Service do similar performance and accountability reports on its employees?

The Forest Service is working toward developing a framework for specific performance agreements as part of each individual employee's performance plan. See the answer regarding the Performance Accountability System, below.

It also said that "a Forest Service Competitive Sourcing Program Office has been established and is conducting studies to provide for private sector competition." What is the status of this office and its studies?

A. The Competitive Sourcing Office in the Forest Service is operational. The agency has completed competitive sourcing studies that encompass over 1350 FTEs; the largest single study focused on information technology (IT). All of these studies have been implemented. The agency is in the process of updating its "Green Plan", which will outline future options for additional studies.

The document also mentioned the Forest Service "is achieving budget and performance integration by developing a Performance Accountability System. The system, to be implemented in fiscal year 2005, will help the agency accomplish strategic plan goals." What is the status of this system?

The President's Management Agenda (PMA) states that the American people should be able to see how government programs are performing and compare performance and cost across programs. In 2003, the Office of Management and Budget (OMB) formally directed agencies to connect budget decisions with performance, and the Forest Service is moving forward with determined effort.

In developing the Performance Accountability System (PAS), the Forest Service conducted a benchmarking study in 2002 to investigate how other organizations accomplish a specific task and identifying best management practices. State agencies studied included several in Minnesota, Arizona, Texas, Ohio, and Louisiana. Federal agencies reviewed included the U.S. Coast Guard, Natural Resource Conservation Service, Bureau of Land Management, National Park Service, and U.S. Air Force.

The Performance Accountability System (PAS) is an integrated decision-support and reporting tool that aligns the Forest Service's information assets, performance budget, financial resources, and program activities with the purpose for which this agency exists—to sustain the Nation's forests and grasslands.

PAS will provide a means for national leadership and program managers at all organizational levels to identify and communicate the management objectives of the Forest Service, and how each contributes to the agency's long-term goals and objectives. It also will identify the key performance measures that will be used to track progress throughout the fiscal year and report results of programs and projects. All units in the agency will use PAS to link the purpose of the projects and activities they are planning to Forest strategic goals and objectives—goals and objectives that are consistent with programmatic and unit-level planning objectives.

The program of work for each unit will be developed, summarized, prioritized regionally, and rolled up nationally to demonstrate how we will accomplish mission-critical objectives within the constraints of our annual budget. Information from PAS can then be used to formulate an initial performance budget and associated budget justification. These products will be form the basis for the agency and departmental request to the Office of Management and Budget. Once Congress acts on the budget and agency funding is received, the various levels of the organization receive their allocation. The initial performance budget and programs of work are then reviewed and revised to reflect the allocation in a final performance budget and

entered into the work planning system (WorkPlan) for implementation. This final performance budget and program of work will also become the basis for specific performance agreements as part of each individual employee's performance plan.

SYSTEM IMPLEMENTATION TIMELINE SUMMARY

- WorkPlan
 - July 2002—WorkPlan Releases 1.0 deployed
 - July 2005—WorkPlan Release 3.0 (ties activities to SP goals/objectives)
 - July-September 2005—WorkPlan populated for FY06
 - Performance Accountability System (PAS)
 - Fiscal year 2005—Prototyping and development of dashboards and scorecards
 - Fiscal year 2006—Use by selected units for system testing and performance monitoring
 - Fiscal year 2007—Full agency use of PAS

Finally, where is the Forest Service at with streamlining and improving organization and cost effectiveness, as identified by the five initiatives of the President's Management Agenda?

The Forest Service is actively engaged in all five PMA initiatives: strategic management of human capital, competitive sourcing, improved financial management, expanded eGov, and budget and performance integration.

The Forest Service is now implementing a major change in the way it does financial management. It was completed through a rigorous business process reengineering (BPR) effort which, among other things, consolidated financial functions that were spread across the country. The agency has also embarked on a BPR that will result in major change in the management of its human resources functions. Both of these BPR efforts will result in significant organizational effectiveness while being done at a lower cost.

As mentioned above, the Forest Service recently implemented a competitive sourcing IT study. It, too, will save money and increase effectiveness. Further, ongoing efforts underway in the areas of eGov and budget and performance integration will continue to lead to gains by the agency in terms of efficiency and effectiveness.

The Forest Service has a large backlog of infrastructure repairs, including roads and facilities. Has the agency compiled a list of these projects? Do you have an estimate on the total cost? If these projects are not address, what will be the effect on our national forests?

Yes, we have compiled lists of roads and facilities deferred maintenance projects. Here is our most recent estimate of the cost of backlog of deferred maintenance work only; these figures do not include capital improvement costs.

Facility Type/Cost in millions of dollars

Buildings and administrative facilities: \$463
 Dams: \$28
 Heritage sites: \$10
 Range: \$464
 Recreation facilities: \$178
 Roads and bridges: \$5,280
 Trails: \$107
 Wildlife, fish, T&E species: \$6
 Total: \$6,536.

Road maintenance and reconstruction work will be focused primarily on critical health and safety needs and watershed protection measures. The agency will continue to emphasize public safety in order to assure road user safety on the existing roads open to passenger cars and on roads passable only by high clearance vehicles. Priorities that determine the mileage of roads maintained in each category will be developed at the local level. Doing this will allow us to meet emergency needs, critical annual health and safety maintenance needs, and critical deferred health and safety needs on the most important roads. When non-priority roads are closed by natural events, such as floods, landslides, and blow down, they will likely remain blocked to traffic. Opening such roads would not be a priority unless they become critical for public access or accomplishment of resource projects.

The agency anticipates that there will be two primary areas of effects for the facilities deferred maintenance backlog:

1. Deferred maintenance will accumulate at an accelerated rate due to a large amount of reconstruction money being used to modernize and repair existing infra-

structure, and a reduction to reconstruction funds will decrease the amount of work completed.

2. Replacement of infrastructure that has reached the end of its useful life or have already exceeded their life will proceed at a slower pace.

We are using facility master planning and developed recreation site master planning efforts to identify the optimum location, size and number of facilities we can sustain into the future.

STATEMENT OF V. ALARIC SAMPLE

Thank you, Mr. Chairman, for this opportunity to testify before you and the other members of the House Committee on Agriculture regarding the centennial of the U.S. Forest Service. I currently serve as the President of the Pinchot Institute for Conservation. The Pinchot Institute is a nonprofit center for research, education and technical assistance on matters relating to natural resource conservation and sustainable forest management. The Institute was dedicated in 1963 by President John F. Kennedy at Grey Towers National Historic Site in Milford, Pennsylvania. Grey Towers is the former home of Gifford Pinchot, founder and first Chief Forester of the U.S. Forest Service. Through the generosity of the Pinchot family, Grey Towers National Historic Site is now the home of the Pinchot Institute, as part of a successful and productive partnership with the U.S. Forest Service stretching over more than 40 years.

On the occasion of the centennial of the establishment of the U.S. Forest Service in 1905, this committee has asked me to reflect upon how the agency has performed in its first century, and what I believe will come of the agency in the next. Given the time available, my observations will be very general, of course, and cannot do justice to the agency's accomplishments and prospects that are provided through numerous more scholarly studies that have been published in recent years. The U.S. Forest Service came into being because the Nation needed such an organization, and the Forest Service fulfilled that need with style and distinction. Over the past hundred years, the U.S. Forest Service has risen to new and often unanticipated needs, with dedication and a commitment to serving the common good of the Nation—what founding Chief Gifford Pinchot referred to as “the greatest good, for the greatest number, in the long run.”

PAST PERFORMANCE

The work of the Forest Service has been a source of debate and occasional controversy, from the day it was created, right up until the present. This is to be expected in an agency attempting to balance the competing and often conflicting interests of a diverse and staunchly democratic nation, over resources as valuable and productive as the National Forest System. If we Americans are fortunate, we will still have the privilege of debating with one another for yet another hundred years, over the best use of the national forests. The important thing is that, thanks to the vision of the founders of the national forests, and a century of stewardship by the U.S. Forest Service, these lands and resources will still be conserved and sustainably managed, for future generations as well as those that have gone before.

Since the U.S. Forest Service was established by Congress through the Transfer Act of 1905, the agency has successfully met every major challenge with which it has been faced. Some of these challenges have been formidable.

While the Forest Service was still young and relatively inexperienced, it was galvanized into action by the devastating wildfires of 1910, which burned millions of acres in Montana and Idaho, destroyed numerous communities, and cost hundreds of lives. In response, the Forest Service virtually invented many of the wildland firefighting techniques and technologies used all over the world. As we know today, the Forest Service was almost too successful in taming wildfires. Through research on the important roles that fire plays in the ecological functioning of forests and grasslands, the Forest Service is discovering new ways to appropriately reintroduce fire into forest landscapes now made more complex by the shifting boundaries of wildlands and urban communities.

When the necessity arose, the Forest Service helped meet the need for wood, first to help ensure victory in the second world war, and later to meet the surging demand for housing during a post-war economic expansion that lasted well into the 1960's. As with firefighting, the Forest Service was almost too successful in wood production, and were slow to respond to changing needs and social values, and to new science that brought a deeper understanding of the effects of timber harvesting on wildlife, water quality and other important forest values. The Forest Service en-

dured sometimes intense public criticism, and lost some of the luster it enjoyed when it was widely regarded as the most successful, effective and respected agencies in all the Federal service.

In going from youth to maturity over the past century, the Forest Service has picked up its shares of the nicks and scrapes that come with age and experience. But like the marks in fine leather, these are proof of authenticity. It is not in the personality and culture of the Forest Service to shy away from the difficult challenges. Like people, organizations that have never failed at anything are organizations that have not tested themselves, not put themselves on the line, and not attempted bold steps in hopes of making significant progress. At the end of its first century, the Forest Service still stands as a model to the rest of the world, generating new forest science to address an array of new challenges to the well-being of forests, providing technical assistance to other forest owners of all kinds, and demonstrating forest management that, in spite of the current crop of issues, is a model of sustainable forest management.

FUTURE PROSPECTS

The U.S. Forest Service is now serving an America greatly changed from a century ago—from a population of 76 million in 1900 to 286 million today; from mostly rural and agricultural to 85 percent urban and industrial; from mostly western European ancestry to a diverse mix of races, cultures and outlooks. The people of the United States need the national forests and a strong, effective U.S. Forest Service today more than at perhaps any time since the agency's establishment.

Global market forces have fundamentally changed forests and forestry in the U.S., and will continue to do so in the next two to three decades. Forestry, like every other segment of our economy, has been profoundly affected by economic globalization. Forest industry has consolidated and greatly increased its foreign direct investment (FDI) in developing parts of the world, bringing down prices for consumers, but also making it less economical to grow wood in the U.S., or even to own and manage forest land. Billions of dollars in capital once invested in U.S. forests have been taken out and reinvested in fast-growing plantations, mostly in the Southern Hemisphere. Production capacity in the global forest sector, including U.S.-based companies, has geared itself toward rapidly growing markets in Latin America and Asia.

With timber prices in the United States projected to remain relatively flat for many years to come, there is no business case to be made for new investments by the forest products industry in U.S. timberlands. Several leading U.S. forest economists recently stated that even the well-managed Douglas-fir forests on corporate timberlands in the Pacific Northwest—some of the most valuable and productive forests in the U.S. will barely be able to compete on price or quality with low-cost wood coming from Southern Hemisphere plantations. We will continue to see U.S. companies divesting their timberlands by the millions of acres in order to deploy that capital more effectively in forests elsewhere in the world.

IMPLICATIONS FOR U.S. FORESTS

What does this mean for the U.S. Forest Service, and indeed for all forests in this country? First, the biggest threat to sustaining America's forests is not from pressure for timber harvesting. Timber harvesting on the national forests is a tenth of what it was two decades ago. And while markets remain weak even for timber on private lands that is far more accessible and generally of higher quality and form, it is highly unlikely that we will see any pressure for increased harvest levels on national forests from the major forest products companies in the U.S. Demand will continue to come primarily from smaller regional firms serving regional forest products markets.

The biggest threat to sustaining biological diversity, water quality, wildlife and other values from U.S. forests will be the loss of the forest altogether, to forest fragmentation and the conversion of forest land to development and other nonforest land uses. Three-quarters of U.S. forests are privately owned, which means there are costs to the owners' property taxes, severance taxes, estate taxes, and inheritance taxes, as well as the expense of protecting and managing the forest. These costs are increasingly difficult for many private forest owners to bear, especially in times of weak timber markets and declining real prices. As a result, more and more forest land each day is being cleared for development and, for all intents and purposes, lost forever as forest.

When we lose an acre of forest, we are losing far more than its productive potential to grow wood on a sustainable basis in perpetuity—though that is enough. America's forests are its greatest single guarantor of adequate supplies of clean

water for agricultural, industrial and municipal purposes. The public value this represents is almost incalculable, though some recent examples—such as New York City’s avoiding an estimated \$8 billion in drinking water treatment costs by better protecting its forested watersheds upstate give some hint of the magnitude of values at stake.

These forests represent other important public values as well habitat for wildlife of all kinds, including many rare and local species; opportunities for hunting, fishing and many other recreational activities that are important not only individuals but to local economies. Just as Gifford Pinchot could not have imagined some of the values that we find important on the national forests today, there are surely other important functions and values that forest ecosystems provide that we do not yet recognize. These values may not become apparent to us until they have been lost, and are then irreplaceable at any price.

Through critical efforts like the Forest Legacy Program, the U.S. Forest Service is cooperating closely with State governments, local communities, and forest landowners to ensure that landowners can continue to “keep their forests in forest,” and continue to provide the steady stream of public benefits, values and uses that we are only now beginning to fully appreciate.

The U.S. Forest Service will continue to play an essential role in helping landowners to conserve and sustainably manage their forests, as they have for decades. Cooperative programs with State governments and universities aid forest landowners with technical assistance, research and cost-sharing programs for insect and disease control, fire protection, invasive species control, habitat conservation, water quality, and the development of new markets and sources of income. Like the public conservation values that these State and private forestry programs protect, we cannot take them for granted, fully realizing their contributions to the Nation’s public interest only after they are gone.

IMPLICATIONS FOR NATIONAL FORESTS

Confronting these enormous challenges to protecting important public conservation values on private lands brings a fuller appreciation for the value of the national forests themselves, and the array of services and uses they provide for all Americans on a daily basis.

Currently, the public spends an average of less than \$16 per acre annually to conserve and sustainably manage 192 million acres of national forest, providing benefits to all Americans, and ensuring that this essential natural resource asset will still be here for generations of Americans yet to come. By any measure, the public is getting good value from their investments in the U.S. Forest Service.

Communities adjacent to national forests get especially good value. They are the most direct beneficiaries of the clean water, recreation resources, wildlife, and other values that contribute to the local economy and quality of life. The expenses for protecting and managing these local resources are shared with 286 million Americans, 85 percent of whom live in metropolitan areas and may never actually step foot on a national forest. There are challenges for local communities, especially in working with national forest managers to maintain a balance of uses, but for most communities, proximity to a national forest continues to be an enormous economic and environmental asset that should not be taken for granted.

The national forests, though publicly owned, have not been immune to the effects of changes in the global markets in the forest sector. The decline in U.S. timber values and markets has contributed to the loss of the economic infrastructure for forest management in communities all over the country, making it difficult for the Forest Service to accomplish its most basic stewardship responsibilities: maintaining the long-term health and productivity of the forests themselves, and the broader ecologic, economic and social context in which they exist. We have seen this in the increase in insect and disease outbreaks, and the buildup of hazardous fuels, especially on national forests in the intermountain West. Less apparent but no less serious is the steady deterioration of an extensive system of unpaved roads, many of them on steep slopes and erodible soils, that have not been maintained as designed, and are degrading water quality in some of the same rivers and streams that are so important to salmon habitat, or habitat for endangered aquatic species such as bull trout.

In response to the declining timber harvest levels starting in the late 1980’s, the Forest Service developed, tested, and proved new policy mechanisms to allow Federal natural resources agencies to contract for land stewardship services. These stewardship contracts enabled agencies to develop contracts multi-year, multi-task and end-results oriented that allowed agencies to address ongoing land stewardship

needs, while providing a more reliable basis for communities to invest in a sustainable economic infrastructure.

The U.S. Forest Service is increasingly recognizing that reliability of raw material supply is as important as volume, and that it is the key to supporting sustainable economic development on local communities. Using new policy tools now under development, the Forest Service will work in closer cooperation with managers of neighboring Federal, state, tribal and private forest lands to collectively provide a more stable, reliable supply of raw materials as a basis for private reinvestment in local communities and economies.

Increasingly, these investments are focused as much on energy as on wood products. The changes taking place in today's global energy markets are far more fundamental than in the short-term energy crisis of the early 1970's, and portend a long-term shift in U.S. approaches to development of domestic energy supplies, energy-conserving technologies, and renewable energy resources.

This will create many new challenges for the U.S. Forest Service, to accommodate energy development on national forests without unacceptable impacts on other forest resources. But it may also represent important new opportunities for biofuels development, and the creation of new markets and resource values that can help support land stewardship activities. In many ways, the future challenges and opportunities in forest management will be determined as much by national security and energy policy as by traditional forest policy.

LESSONS LEARNED

An assessment that offers no suggestions for improvement is no assessment at all, since there is always room for any individual or institution to improve. In its first century, the U.S. Forest Service has made its share of mistakes and misjudgments. Some of these, such as its unpreparedness for the 1910 fires in the northern Rockies, galvanized the agency into action and helped make it one of the most respected and admired of all public agencies of the time. Others, such as the agency's response to the public controversy over clearcutting on the national forests in the 1970's, cost the U.S. Forest Service dearly in terms of its credibility with the public and with Congress. Public trust and confidence are invaluable assets to any organization that, once lost, are only slowly regained. In many communities across the country, the Forest Service is still rebuilding the public trust it once had, and it has further to go in some communities than in others.

Changes will be needed to equip the Forest Service to face new challenges and emerging threats to the conservation and sustainable management of forests. The Forest Service's "process predicament" is well known, and the agency has yet to take full advantage of authorities it already has to reduce process barriers to effective forest management. Decentralized decision making historically has been one of the Forest Service's greatest strengths, and a reversal of the centralizing tendency of its policy and planning processes over the past several decades is needed. Local forest managers must have the authority to make timely and reliable decisions that fit the local situation, while still operating within a general policy framework that ensures that the long-term national interest in the productivity of these natural resources is protected. Cost-cutting measures that result in the closing of local offices such as ranger districts only put more distance between the Forest Service and its local communities, making it more difficult for the Forest Service to understand local circumstances, and increasing the likelihood that mistakes will be made. To some extent, this is an internal question of resource allocation within the Forest Service, but it is also a question of increased Congressional support that will provide the Forest Service with the resources it needs to sustain important working relationships with local constituents.

Forest Service Chief Dale Bosworth has outlined what he regards as the four major threats facing U.S. forests: wildfires, invasive species, unmanaged recreation, and forest fragmentation. Fortunately, the U.S. Forest Service does not have to take on these challenges single-handedly. Over the past century, substantial capacity has developed within State and tribal governments, forest industry, private landowner associations, and nonprofit public interest conservation organizations. The independent, "can-do" culture of the Forest Service has served the Nation well in the agency's first century, but the challenges of the next century cannot be met in the same way. The Forest Service is striving to develop the tools and perspectives needed for the agency to work in more effective partnerships with cooperating organizations, from the national level to local communities. If the Forest Service's own success is to be judged by the extent to which emerging conservation challenges are addressed, then it has no choice but to learn to work in close cooperation with other public, private

and nonprofit organizations that may not be content to cede leadership to the Forest Service alone.

The Forest Service has for a century been a leader in forest conservation. It is now learning new approaches to leadership, based on enabling and equipping Americans of all kinds to take steps that will ensure the sustainability of our forest resources through increased understanding of forests in their ecological, economic and social context. Given the magnitude of the challenges facing America's forests, and the fact that three-quarters of the country's forests are in private ownership, mastering this kind of facilitative approach to fostering personal responsibility and individual action will be essential to the Forest Service's continued leadership.

At the end of the day, the U.S. Forest Service is still the most capable organization in the world in the conservation and sustainable management of forests. Forest Service Research and Development has helped create much of the scientific basis for forest protection and management, and is still leading the way in addressing new scientific challenges such as controlling invasive forest pests and pathogens, or understanding the potential impacts on our forests from global climate change. Its periodic national-level assessments provide an essential snapshot of the conditions and trends in our forests, and serve as the basis for an ongoing national dialogue on progress achieved and improvements needed.

Forest Service State & Private Forestry is striving to meet the evolving challenges to conservation and sustainable forest management on private lands, creating innovative approaches to making forest stewardship economically viable in the long run. The U.S. Forest Service's remarkable ability to work with State and local governments to foster continued public benefits from private forest lands while respecting the Constitutional rights associated with private property is having a positive and constructive influence on countries such as China, which is only now deciding what private property rights should be held by an individual, and developing countries in other parts of the world that do not have the history that the U.S. does for protecting land tenure rights of all citizens rich or poor.

Similarly, the Forest Service's management of the National Forest System continues to be an inspiration to developing countries that are pressed to utilize their natural resource assets in order to support economic growth and raising their standards of living. It was only a century ago that the U.S. was itself a developing country, a blink of an eye in terms of world history. Yet with the foresight and commitment of Gifford Pinchot and his contemporaries, the U.S. was able to make the transition from unsustainable forest exploitation to sustainable forest management, and avoid much of the long-term deforestation that has plagued other countries and ultimately impeded their economic progress. Our national forest System provides a model institutional, legal and policy framework that can be adapted to the particular biophysical, economic, cultural and political characteristics of other countries around the world.

The Forest Service of the future will face many new challenges, some of which we can't even anticipate. At the start of its second century, the Forest Service has matured as an organization, and internalized the lessons from its mistakes as well as its successes, and is stronger as a result. Whatever may come in the decades ahead, the U.S. Forest Service has a strong foundation on which to build. It will meet the challenges of the future as it has addressed each of its challenges in the past with unparalleled expertise and a commitment to what the Forest Service's first Chief Forester Gifford Pinchot described as "the greatest good, for the greatest number, in the long run."

Thank you, Mr. Chairman. I will be happy to address any questions that you or others members of the committee may have.

STATEMENT OF LEAH W. MACSWORDS

Good morning Mr. Chairman and members of the committee. On behalf of the National Association of State Foresters, I am pleased to have the opportunity to testify today on the Centennial celebration of the USDA Forest Service.

The National Association of State Foresters is a non-profit organization that represents the directors of the State forestry agencies from the states, U.S. territories, and the District of Columbia. State Foresters manage and protect State and private forests across the U.S., which together encompass two-thirds of the Nation's forests.

This year the Forest Service is celebrating its 100th year of service to the citizens of this country. State Foresters have a long history of working cooperatively with the Forest Service—first in fire protection, and then expanding to forest management, wildlife habitat conservation, and protection of clean water. Looking back on this long relationship, it is clear that perhaps the greatest accomplishment of the Forest Service during its first 100 years has been to bring a forest ethic to the all

the forests in the Nation by instituting a professional, scientific, and systematic approach to forest protection of all the nations' forests, regardless of ownership.

HISTORY OF COOPERATION

In 1911, Congress passed the Weeks Act, which authorized the purchase of land east of the Mississippi River to protect navigable waterways and their watersheds. This Act led to the purchase of burned-over and denuded land and the establishment of the eastern National Forests, which include the Daniel Boone National Forest in Kentucky, the George Washington and Jefferson National Forests in Virginia, and the White Mountain National Forest in New Hampshire. In addition, the Weeks Act established funding and direction for watershed programs and cooperative fire protection with the states on lands impacting navigable streams. The 1924 Clark-McNary Act further expanded these authorities by authorizing a Federal grant program with the states for cooperative fire protection on all forestland across the country. The Act also established funding for states to implement reforestation and cooperative assistance programs for private landowners.

From its beginnings in the first quarter of the 20th Century to its culmination with the National Fire Plan, this country's wildland fire protection program—led cooperatively by the Forest Service and the State forestry agencies—is second to none in the world. Together, we have built up an institution of knowledge, skill, and experience that protects the Nation's forests and grasslands from wildfire. Most recently, the National Fire Plan has not only strengthened funding for wildland fire programs, but has also affirmed that the Nation's wildland fire protection program is a cooperative effort across agencies and ownerships and serves all areas of the country.

After much debate, it was decided in 1919 that State forestry agencies, rather than the Federal Government, should have the legal responsibility for cooperative assistance and regulatory programs for private lands. Building from earlier authorities, the Cooperative Forestry Assistance Act of 1978 provided the Forest Service with broad and comprehensive authority to support the efforts of State forestry agencies to help the Nation's 10 million private landowners manage and protect their forests. The Cooperative Forestry Assistance Act has subsequently been updated and strengthened through the 1990, 1996, and 2002 farm bills. These cooperative programs support the educational, technical, and financial assistance to landowners to ensure that the public goals of sustainable forestry are realized. They include, among others, the Forest Stewardship Program, cooperative fire assistance grants, and the Urban and Community Forestry Program, and have established an excellent track record of protecting water quality, restoring fire-adapted forests, and managing wildlife habitat.

CHANGING NEEDS

Over time, the resource protection and management needs of private lands have changed. In the post-war era, many states focused their cooperative assistance programs on reforestation of lands that had been cut over to fuel the war and the subsequent building boom. The current programs in the Cooperative Forestry Assistance Act are focused on the sustainable production of timber, protection of water quality, improvement of wildlife habitat, and conservation of working forests. While these factors are still important, the current suite of programs needs to be better integrated and targeted to achieve maximum outcomes across the landscape. These changes do not necessarily have to be made through changes to the legislation, but could instead be implemented by adjusting existing program regulations to meet the needs of the future.

As of today, there are 187 Federal programs across all agencies that affect private forestland. While many of these programs are focused on issues other than forest management, there are still a number of programs throughout a variety of Federal agencies that do have measurable effects on landowners. I urge the committee to examine options for program consolidation that would help to better achieve overall program goals across the Federal agencies.

The greatest hindrance to accomplishment of the Forest Service mission through assistance to states is lack of adequate funding. While we in the State and Federal forestry arena are certainly not alone in loss of funding over the past several years, I believe that funding for the cooperative forestry programs has been cut especially heavy. In fact, some cooperative forestry programs have never received any funding. An example is the Watershed Forestry Assistance Program that was authorized in Title III of the Healthy Forests Restoration Act of 2003. This program would provide states with the resources to undertake watershed forestry restoration projects in priority areas and to improve State forestry best management practices programs. Un-

fortunately, Congress has never appropriated any funding for this program. A second example is the Community and Private Lands Fire Assistance Program (CPLFA). This program was originally funded under the National Fire Plan and focused on assisting communities with planning and carrying out hazardous fuels reduction work. Since its reauthorization in the 2002 farm bill, it has received no funding, undermining the ability of communities to carry out fuel reduction projects.

GREATEST CHALLENGES

Unlike private and State lands, management of the National Forest System has been slowed by regulations that, while well-meaning, often prohibited forest managers from carrying out projects in a timely manner. I have seen this happen many times in my State of Kentucky. In the late 1990's, many areas of Kentucky, including the Daniel Boone National Forest, experienced large outbreaks of the southern pine bark beetle, causing high levels of mortality in pine stands across the state. To further compound the problem, severe ice storms during the winters of 1999 and 2003 knocked down many more trees. This influx of downed timber in the forests created an abnormally high fire hazard that needed to be dealt with quickly.

The standard approach for forest managers to mitigate this type of hazardous situation is to quickly harvest and remove the downed and dead trees to both reduce the fire hazard and to naturally stimulate forest regeneration. Due to the excessive levels of analysis and bureaucracy that Federal forest managers had to wade through, much of the dead and downed timber on the Daniel Boone National Forest decayed beyond the point of salvageable value by the time the agency was ready to complete the timber sale. In contrast, the Kentucky Division of Forestry completed several salvage timber sales on the State forests in the time that it took the Forest Service just to get their sales approved. Environmental impacts from the harvest, once completed, would generally be the same, regardless of ownership. However, the environmental risk on National Forest System lands has often been increased by delaying the harvesting and restoration work, thus increasing the fire danger. The State system of analysis has proven to be much more efficient and could serve as a model for Federal lands management.

Congress passed the Healthy Forests Restoration Act of 2003 (HFRA) as a mechanism to streamline the approval process for forest restoration projects that focus on removing excess hazardous fuels, and to facilitate other restoration projects. The Act helps to put scientific forest management back in the hands of the professionals who know the resource best. NASF supports all titles of HFRA and we request the committee's assistance to ensure that the agency is given the resources to successfully implement all six titles of the Act.

FOREST SERVICE ROLE IN LEADERSHIP

The Cooperative Forestry Assistance Act provides the Forest Service and—through cooperative agreement—the states with direction on the focus of the landowner assistance programs. Most of the landowner assistance programs in the Act are reauthorized every few years through the farm bill. Based on the lack of Congressional support for many of the current landowner assistance programs, it is clear that a new approach to State and Private Forestry programs is needed.

At the NASF annual meeting last September, Chief Bosworth challenged the State Foresters to help the public understand the great benefit that can come from a few well-placed Federal investments in State and private forestry. Chief Bosworth suggested we engage people who own or care about forests, water, and wildlife to help build a broader understanding of the work that landowners do to deliver the wide range of benefits that come from their lands and enhance the public good. Together with the Forest Service, NASF sponsored three meetings over the past few weeks to develop a shared understanding of public benefits from non-Federal forestlands, to define what landowners and constituent groups want from non-Federal forestlands, and to identify appropriate roles in assuring the sustainability of public benefits. The findings of these meetings, which we titled *Non-Federal Forestlands: Partnerships for the 21st Century*, will be available later this summer and will provide guidance to the Forest Service, NASF, and other stakeholders. State Foresters believe that a strong focus on providing clearly definable public benefits will better shape the future of State and private forestry. We will remain actively engaged to help lead the programs in this direction over time.

Research and development within the Forest Service has a long history of providing research to the broad array of forestry sectors, including the public, academic, and private sectors. As a partner with the Forest Service research programs, NASF places great value on the work being conducted at the six Forest Service research stations, especially the long-term research for which the agency is so well known.

One of the most valuable research programs the Forest Service conducts is the Forest Inventory and Analysis (FIA) program. This forest monitoring, inventory, and mapping program provides the entire forestry sector with comprehensive data on the status, condition, and trends of forests across the country. States use the data extensively and often work cooperatively with the Forest Service to gather the data. The FIA program is run out of the six separate research stations, resulting in differences in program implementation across the country. We applaud the Forest Service for its recent efforts to manage the program more consistently and encourage the agency to further these efforts.

The Forest Service also helps to support forestry research at land-grant colleges and universities through the McIntire-Stennis forestry research program, which provides dedicated funding for forestry research programs. The McIntire-Stennis funding is very important to maintaining research programs at many of these schools, and efforts to move the program to exclusively competitive grants would seriously undermine the long-term research now being conducted. Competitive grants work fine for two- or three-year research projects—commonly performed by graduate students—but fall far short of adequately addressing the needs of long-term or localized forestry research projects. I urge the committee to maintain support for this program.

The State forestry agencies and the Forest Service have a long history of working together cooperatively. Many of the programs the states implement are funded and supported by the Forest Service, mainly through the Cooperative Forestry Assistance Act of 1978. Therefore, State Foresters have a strong interest in the direction of the Forest Service as we embark upon this new century of our partnership.

I wish to close by reminding the committee that the most compelling forces shaping the agency's role and direction with the states will not come from within, but rather from new and global issues that are already shaping our policy. Greenhouse gas markets, the increasing value of clean water, and global markets will all shape the agency's direction in the future. The strong relationship between NASF and the Forest Service will help State forestry agencies and the Forest Service to better serve the public as these changes begin to take place.

Thank you for the opportunity to testify today. I would be happy to answer any questions you may have.

