

**STATEMENT OF SECRETARY OF THE INTERIOR BRUCE BABBITT
BEFORE THE HOUSE MERCHANT MARINE AND FISHERIES SUBCOMMITTEE ON
ENVIRONMENT AND NATURAL RESOURCES AND THE HOUSE NATURAL RESOURCES
SUBCOMMITTEE ON NATIONAL PARKS, FORESTS AND PUBLIC LANDS
ON H.R. 1845, THE NATIONAL BIOLOGICAL SURVEY ACT OF 1993**

July 15, 1993

Mr. Vento and Mr. Studds, I'm delighted to be here today to testify on the National Biological Survey and on H.R. 1845, the NBS authorizing bill that Chairman Studds has introduced.

I am often asked why I see the need for a National Biological Survey; and what led me to develop the idea of an NBS. First, you may be aware that the NBS is an historical echo of the U.S. Geological Survey. In the late 1870's, the extractive industries had no baseline data on which to depend for drilling and mining on the West's public lands. The conservationists at the time also deplored the lack of basic geologic information - they couldn't discern the appropriate land holdings to protect. Both sides, industry and conservationists, prevailed upon the government to correct this fundamental lack of information. In addition, the National Academy of Sciences and the Smithsonian Institution recognized and called for an independent geological survey. The result was that in 1879, Congress established the U.S. Geological Survey at the Interior Department. The Survey's mission was to examine and record the geological structure and mineral resources and products in the national domain. I see the same need for

biological information as we approach the 21st century that John Wesley Powell saw in geology over a century ago.

Two other events have reiterated to me sharply our need for an independent fount of biological information: litigation over the Endangered Species Act, which has created unnecessary "trainwrecks" such as the forest crisis in the Pacific Northwest, and the scattered, disparate nature of research at the Department of the Interior, which results in ad hoc science. Both of these situations have shown me that independent, credible scientific information is essential to improve our capacity to protect and manage our natural resources.

In a world marked by growing demands for natural resources and increasing complexity and competition, we have to have sound and comprehensive science to make informed and timely decisions. The purpose of the NBS is to provide a road map to enable us to get ahead of the endangered species listing process and constructively solve environmental and economic conflicts.

The Endangered Species Act is an extraordinary piece of legislation because it allows the Federal Government to preserve, maintain, and foster the recovery of endangered species wherever they occur, without regard to geography, location, or land ownership. Here is a law of great reach and power, and yet we do not have the scientific capability to get ahead of it. The

National Biological Survey will give us the tools to avoid many of the conflicts of the Endangered Species Act, and to know the health and abundance of our living resources.

Let me just add that the Endangered Species Act is a good law, but we've done less than a stellar job of enforcing it, and in doing so, we've let the courts take over. What we need is a systematic biological inventory of the entire nation at an appropriate scale and feasible level of detail. We need to undertake such a biological survey cooperatively with other Federal agencies, states, local governments, and private and nonprofit organizations. An example of this is the Gap Analysis Program, which maps the "gaps" in species protection. I proposed the National Biological Survey to address this enormous data void so we can correct the course of our compliance with the Endangered Species Act.

With stand alone, credible science at Interior, science which is out of the management and policy chain, we won't get stuck in situations as we've just seen in the Pacific Northwest. There's an example of where the players waited until the crisis was white hot and everyone was backed into a corner. Let the science come first, keep it separate from regulatory, mission and policy functions, and we'll have the cornerstone for more responsible natural resources public policy.

Further, there is a tremendous need in the Department of the Interior to cut across jurisdictional boundaries. When I assumed the position of Secretary six months ago, I knew that without an independent, biological science capability, I would spend too much time untangling bureaucratic wars. Sometimes the Bureau of Land Management scientists don't talk to the Fish and Wildlife Service scientists. This is in no way meant to criticize the fine work of our biologists and scientists at the Department. Rather, what has happened is that myopic, mission-specific research has made it so we can't see the big biological picture.

I'm proposing to create the NBS so that the science and the biological data upon which Interior managers make decisions can be strengthened, integrated and improved. We have ten bureaus at Interior, most of which conduct some sort of biological research or scientific functions. I see the NBS as a great remedy to shape, expand and redeploy our scientific assets to create the kind of capacity we need to solve some of these problems. Simply, the irreducible beginning point of responsible resource protection is good science.

Two things I'd like to stress here. One is the importance of integrating and knitting the geographic information systems we already have in place. This includes data collected by states, local governments, private and nonprofit organizations and other Federal agencies. It is absolutely essential that the NBS work

cooperatively with the many entities that are collecting biological data, and that these systems are knit into a comprehensive system.

Interior has already initiated many of these contacts. State Heritage programs, the State fish and game agencies, and numerous Federal agencies all have important contributions to make to fill in the biological picture.

We have structured the NBS to make sure that we operate in a cooperative, interactive way. One important element to the NBS is the Science Council. The Science Council will advise the Director of the NBS, providing a badly needed forum to allow for interaction among Federal scientists, state biologists, and non governmental and private sector organizations. Through the Science Council, we hope to improve the efficiency and effectiveness with which we transfer information and collect biological data to all sectors. Another important point we'll be working on in the NBS is standardizing protocols and data collection techniques.

Chairman Vento and Chairman Studts, that is an idea of my view of the need and purpose for the NBS. With regard to the structure of the NBS, let me give you an overview of some points we'd like to see in H.R. 1845.

Briefly, I think the NBS should have a Director appointed by the President and confirmed by the Senate. The NBS will be located organizationally alongside the FWS and the Park Service, under the

Assistant Secretary for Fish and Wildlife and Parks. The NBS needs a Science Council as I described before, so that we work in tandem with states and other Federal agencies. The Director of the NBS should also be advised by an internal Interior Department Policy Board. This will guarantee that bureau research needs continue to be met.

The functions of the NBS will include a survey as I have described above. I consider a survey to be a process that is never done, but is longitudinal and dynamic. The NBS includes other important biological functions - including research on a large, ecosystem basis, inventory and monitoring programs like the Gap Analysis, information transfer and technical assistance to Interior bureaus, other Federal agencies, states and other institutions.

H.R. 1845 should also include provisions to transfer the National Wetlands Inventory. This valuable collection of data run by the Fish and Wildlife Service began in 1974. Since then, the NWI has produced over 34,00 wetland maps and distributed over 1.6 million copies of them. As part of the NBS's inventory and monitoring program, the National Wetlands Inventory is critical to filling in the biological picture of the country. Because Congress created the NWI under the Director of the Fish and Wildlife Service, I'll need language allowing me to transfer it to the NBS.

Because the NBS is so critical to our having a solid picture

of our biological resources, I have chosen to move swiftly to transfer the appropriate biological functions in eight Interior bureaus into a new, free standing, non-regulatory bureau. The NBS budget amendment, which President Clinton forwarded to Congress in April, includes provisions to transfer the Patuxent Research Center, which is located on a national wildlife refuge, to the National Biological Survey. Patuxent is a jewel in the crown of the Department of the Interior. It functions as a multi-use refuge, with active research projects, hunting in some areas, migratory bird work, and a visitors center under construction. I hope to arrange for the use of the Research Center by the NBS through a memorandum of agreement, rather than amending the Refuge Act. Working with Congressman Hoyer and your Committees, I am sure we can work out a simple solution, so that the important biological work at Patuxent can join the NBS family, but the Refuge remains in the Fish and Wildlife Service. An administrative solution will be easier than a legislative one, and I look forward to working with you all on that.

There are other details to the NBS legislation that are necessary to make sure we fill the vacuum that currently exists for broad scale biological information and assessments of the nation's resources. I know my staff and I are pleased to work with you to ensure that we create a first class organization.

Mr. Vento and Mr. Studds, I again wish to thank you for your

leadership in the National Biological Survey, and for inviting me,
and our friends, to share our views and vision of the NBS.

**STATEMENT OF BRUCE BABBITT, SECRETARY OF THE INTERIOR, BEFORE THE
MERCHANT MARINE AND FISHERIES COMMITTEE, UNITED STATES CONGRESS,
ON THE NORTH AMERICAN FREE TRADE AGREEMENT (NAFTA), NOVEMBER 10,
1993**

Mr. Chairman and Members of the Committee, I appreciate the opportunity to discuss with you the North American Free Trade Agreement. As you know I strongly believe NAFTA is good for jobs, it is good for the environment, and it is good for the people of the United States.

I cannot emphasize enough my sense that for both economic and environmental reasons NAFTA is a singular opportunity. In fact, in our relations with Mexico, NAFTA may be the opportunity of our lifetimes. I would like to emphasize this opportunity by making four points:

One, NAFTA is Green

Two, NAFTA means cooperation .

Three, NAFTA is an important precedent, and

Four, the indirect impacts on border refuges and wildlife trade from NAFTA are manageable.

There are powerful forces in the world today that affect our jobs and our environment here in the United States, including: the rapid globalization of our economy; the strains that economic development already puts on our ecosystems and life-supporting resources, such as water and land; the vastly increased economic competition from our trading partners; the incredible rapidity of technological advances; and the presence of global environmental threats, such as ozone loss and climate change.

It is of utmost importance to keep in mind that these changes will continue to occur whether NAFTA is approved or not. With NAFTA, we will have some control over both the economic and environmental impact of these global changes. Without NAFTA, these same forces of change will continue to exist, but we will have less control. NAFTA, because it is coming to a vote, for the first time allows people a chance to protest these changes. To protest is a natural human reaction. Unfortunately, in this case, it is a very misguided reaction. NAFTA, as it increases our cooperation and dialogue with Mexico and Canada, is a step towards a solution.

There is a lot of misinformation being churned out about NAFTA's impact on the environment. Let me give you just one example:

A few weeks ago, an anti-NAFTA group took out a full-page ad in the Washington Post and New York Times, featuring a large photo of a clearcut forest. The ad claimed that NAFTA promotes unrestricted trade in natural resources, and said that many existing

laws, such as the current U.S. ban on exporting certain unprocessed logs, would be considered illegal barriers to trade. This is simply untrue. The NAFTA explicitly exempts U.S. controls on the export of logs from NAFTA's rules governing National Treatment and Import and Export Restrictions.

I would like to take time to address NAFTA's effect on those laws and resources under my stewardship. I truly appreciate this opportunity to respond to some of the nonsense I have been hearing about what effect NAFTA will have on the environment.

The first point I would like to make is that NAFTA is green. Its ground-breaking provisions, together with the Environmental side agreement negotiated by the Administration promote sustainable development and strengthen the advancement and enforcement of environmental laws in all three signatory countries. The agreement discourages countries from relaxing environmental standards or enforcement to attract or retain investment, and for the first time in trade history it establishes dispute settlement mechanisms that ensure that scientific and environmental viewpoints are heard and taken into account.

NAFTA, through article 104, gives precedence to the trade provisions of the Convention on International Trade in Endangered Species (CITES), as well as the provisions of the Montreal Protocol for the protection of the Ozone Layer, and the Basel Convention on Transboundary Movement of Hazardous Waste. This article is open to the addition of other agreements. As many of you are aware, we have already gotten verbal agreement from Canada and Mexico to add the Migratory Bird Treaties to this section of the NAFTA.

The second point I want to make here today is that NAFTA means cooperation. Some of you may not be aware that the Department of the Interior has a long-standing cooperative relationship with Mexico on wildlife enforcement and protection. The U.S.-Mexico Migratory Bird Treaty of 1936, the Joint Committee on Wildlife and Plant Conservation of 1974, the tripartite agreement on the Conservation of Wetlands of 1988, and the US/Mexico/Canada CITES North American region training activities are excellent examples. The engagement with Mexico due to the development and negotiation of the NAFTA package has been a boon to these activities and U.S.-Mexico relations in general. I am convinced that the foundation provided by NAFTA and the Environmental Side Agreement will be essential to continue this forward progress.

In addition, we have dozens of extremely important bilateral programs that help us protect our side of the border by helping the Mexicans to manage their side of the border. We have, for example, the Recovery Plan for the Sonoran Pronghorn Antelope, the Sonoran Desert Tortoise and Gould Turkey assessment projects. We have the Regional Conference of US/Mexico border States on Parks and Wildlife, the Chihuahua-Big Bend Ecological Studies, the Big Bend/Sierra Del Carmen Sister Parks Resource management and inventory program, the Coronado Trail Study, the Lower Rio Grande

Community Heritage Project, the Sierra Maderan Vegetation Studies, an internship program to bring Mexican students to National Park sites and offices, the San Pedro River Watershed Project, the BLM coordination of binational plans for the Pinacate Biosphere Reserve, and 15 years of cooperation in the FWS sea turtle conservation program.

Recent initiatives have been even more exciting. As a follow-up to Mexico's 1991 accession to CITES, we have trained over 100 Mexican officials in wildlife enforcement. This spring, I participated (a first for a Secretary of the Interior) in the U.S.-Mexico Binational Commission, where both countries made very important commitments to increase coordination on border parks and refuges, increase Mexican participation on the North American Wetlands Conservation Act and to closely coordinate work on CITES. And, in June I went to President Salinas' dedication of the Pinacate Bio-Reserve, where we discussed the possibility of cross-border planning of an International Joint Bio-Sphere Reserve, which would incorporate Departmental lands north of the border. These initiatives and similar cooperative programs between other U.S. Agencies and their counterparts in Mexico are in a very large part due to the climate fostered by NAFTA, and such cooperation can be expected to increase if NAFTA is approved.

Ladies and gentleman, the United States shares nearly 2,000 miles of border with Mexico. The vast majority of this land is managed by the Federal Government. The National Park Service manages 1.5 million acres along the border, accounting for 28 percent of the borderlands between the United States and Mexico. The Fish and Wildlife Service manages eight national wildlife refuges, totalling over 1.2 million acres, along the border. FWS also has responsibility to maintain and seek recovery of at least 460 endangered, threatened, proposed, and candidate species of plants and animals within 25 miles of the border.

As the person responsible for the National Park Service and the Fish and Wildlife Service, I know I cannot protect these areas by myself. I am asking you here today to recognize that a significant part of the environment of the United States is absolutely and inextricably linked to the environment of Mexico (a fact that is true well beyond the immediate border area itself). NAFTA recognizes this fact and will provide a basis for positive economic and environmental cooperation between our countries. The Environmental Side Agreement will help institutionalize, nurture, and leverage the cooperative relationship we have already begun to build.

The Environmental Side Agreement has several extremely important features for my Department. The Commission for Environmental Cooperation, created by the agreement, has an explicit mandate to consider and develop recommendations on the "conservation and protection of wild flora and fauna and their habitat and specially protected natural areas, and the protection of endangered and threatened species." In addition, the agreement's provision to examine the environmental implications of any particular product throughout its life cycle provides a mandate to discuss process and production

methods -- including environmental impacts of resource extraction, management, and harvesting -- and to develop solutions. This will provide an excellent institutional basis for what I am sure will be a very fruitful multi-year effort.

I am also particularly excited about the Side Agreement mandate to address the state of the North American environment. I believe this will provide a unique opportunity to highlight environmental and natural resource issues that are hemispheric or binational in nature. In my view, a vote against NAFTA and the Environmental Side Agreement is a vote against the U.S. environment.

The third point I want to get across today is that NAFTA is an important precedent, a milestone in efforts to reconcile the relationship between trade and environment. If we reject NAFTA we literally will have to start over at the beginning. It is no secret that most of our trading partners are watching the environmental aspects of the NAFTA very closely. In fact, it is causing some of them considerable discomfort.

In this country, the GATT tuna/dolphin case was the alarm that helped focus many environmentalists on potential conflicts between international trading rules and a small but important number of U.S. laws that use trade to protect the environment. Since that time, the most far-sighted of the environmentalists have worked hard to green the NAFTA. And having largely achieved their goal, these environmentalist are among the most active supporters of the NAFTA package today.

I'll be the first to admit that NAFTA does not fix every single potential conflict between trade rules and environmental laws. It also doesn't cure warts or guarantee the Redskins a winning season. The vehicle must be appropriate to the problem. NAFTA's green provisions, combined with the environmental side agreement, make it the greenest trade agreement ever negotiated. The NAFTA package is the single most serious effort by any government up to this date to recognize and confront and begin to manage the interactions of trade rules and the environment.

A vote against NAFTA is a vote against all of the progress toward greening trade we have made so far. The defeat of NAFTA will signal a defeat of the ground-breaking approach that says that trade and the environment can indeed be reconciled. If NAFTA is defeated, the result will be polarization and finger pointing.

Finally, the fourth and last point I would like to make today is that the indirect impacts from NAFTA activities are manageable and where they affect my responsibilities I intend to manage them. The 1995 budget for border-related activities will address four major program areas: law enforcement, ecological services, fisheries, and refuges and wildlife. This money will ensure that there are sufficient wildlife enforcement agents to handle additional demands along the border, and provide support for special agents and for specific activities under the Wild Bird Trade Act. There will also be extra money directed to the FWS ecological services office for listing, consultation, and species-recovery

actions in Texas, New Mexico, Arizona, and California, as well as money to maintain the variety of aquatic habitats in the border region; through long-term monitoring, as well as programs to maintain water flow in the face of increased regional demands.

For those of you like myself who were born, raised, and have worked near the border, you know there are many problems down there. These problems have existed for a very long time. Congress has a choice. It can either confront these challenges directly, and support NAFTA as a cooperative foundation for North America to begin to address them, or it can reject this foundation and hope for the best.

If NAFTA does not pass, those who vote to reject it can hope the Mexicans will stand by the commitments and actions they have already taken to protect the environment and open their markets. They can hope President Salinas will continue to commit scarce Mexican resources to wildlife refuges, environmental inspection, and enforcement on his side of the border. They can hope the huge array of cooperative environmental efforts between the United States and Mexico will continue to expand. You can hope the border will clean itself up, or that new export markets will simply appear of their own accord. But they better not count on it.

Now, for the first time, along with its promise of increased economic ties, NAFTA brings with it a promise of strengthened cooperation and, finally, a definitive recognition of the very real connections between the United States and Mexico, at the highest political levels in both countries. With NAFTA, the border and our very real long-standing physical and economic interdependence with Mexico can no longer be ignored. NAFTA means an end to our short-sighted ignorance of our neighbors and a beginning of serious and sustained efforts to deal with our common problems.

STATEMENT OF BRUCE BABBITT
SECRETARY OF THE INTERIOR
BEFORE THE SENATE COMMITTEE
ON ENERGY AND NATURAL RESOURCES

FEBRUARY 24, 1994

I am pleased to be here today to discuss the funding needed by the Department of the Interior for the preservation, management, and use of the great natural and cultural resources entrusted to the Department's care.

The total 1995 budget for Interior is \$9.4 billion. This includes \$1.9 billion in permanent authority. The 1995 Interior budget request emphasizes three major themes. The first is to increase investments in our natural resources; second, we want to ensure an equitable return for use of public resources, and third, we want to begin to implement the recommendations of the Vice President's National Performance Review.

In order to support key programs and reduce the deficit along the path set forth in the discretionary spending caps, this budget request reflects the choices and balancing I have been called upon to make. While the overall totals for this budget for the entire Department are down \$81 million from 1994, we are proposing over \$200 million in increases for the President's investments in key areas in the Department. In order to fund these initiatives within an essentially flat budget, I had to make difficult tradeoffs. However, I believe our budget proposals are balanced and should be kept as a cohesive unit.

ECOSYSTEM MANAGEMENT

Our investment increases focus primarily on ecosystem management and operations for the land managing bureaus. Governmentwide, the President's Budget focuses on four priority ecosystems: the forests of the Pacific Northwest, in Washington, Oregon and northern California; the South Florida ecosystem; Prince William Sound in Alaska; and the Anacostia River, in D.C. The Department has a key role in the first three of these ecosystems. The Environmental Protection Agency and the Corps of Engineers are primarily responsible for the Anacostia River ecosystem improvement effort.

FOREST PLAN — We propose to spend a total of \$71.4 million in the Pacific Northwest to implement the President's Forest Plan. This is an increase of \$44.9 million over 1994. Of the total, \$30 million is for "jobs in the woods" to restore watersheds and at the same time create jobs; \$39.9 million is for other aspects of Forest Plan implementation, including monitoring, research, watershed assessments,

and planning; and finally, \$1.5 million will be used to enable Indian tribes in the Pacific Northwest to put timber on the market and into the sawmills. Funding is included in the programs of the Bureau of Land Management, Fish and Wildlife Service, National Biological Survey, and Bureau of Indian Affairs.

SOUTH FLORIDA -- In South Florida, the Department is leading a comprehensive effort to restore a seriously declining ecosystem. We propose to spend \$57.3 million in this area, which doubles our 1994 investment. This will be a coordinated Federal effort to develop and implement a comprehensive program. Funding is included in our budget for the Fish and Wildlife Service, National Biological Survey, National Park Service, Geological Survey, and Bureau of Indian Affairs. Together they will do ecosystem research and management, conduct water quality and quantity studies, work to improve water delivery systems through the Corps of Engineers, and purchase land with state and local partners.

PRINCE WILLIAM SOUND -- In Alaska, the Department will continue to work with other Federal agencies and the State to restore the injured natural resources of Prince William Sound. Using permanent appropriations provided from civil and criminal settlements, we will continue our leadership role in acquiring environmentally sensitive habitat and the development of a comprehensive restoration, research, and monitoring program in the spill zone.

LAND MANAGEMENT OPERATIONS

With over 440 million acres to manage nationwide, day-to-day operations remain a priority emphasis for us in 1995, with increases requested for the Bureau of Land Management, Fish and Wildlife Service, and National Park Service. In addition to the funding increases for the ecosystems initiatives, operations funding is increasing in the Bureau of Land Management by \$17 million, the Fish and Wildlife Service by \$24 million, and the National Park Service by \$61 million.

The National Parks remain a high Departmental priority as indicated by proposed increases of \$32 million for the operation of individual park units, \$18 million to pay rangers at rates more commensurate with their growing responsibilities, and \$6 million to convert long-term temporary employees so they can obtain health and life insurance benefits. The budget also assumes passage of legislation to raise park fees.

In addition to major funding increases for the ecosystems initiative, the Fish and Wildlife Service budget increases by \$24 million for endangered species programs, refuge operation and maintenance, and habitat conservation programs. Funding is also included to implement the environmental activities contained in the North American Free Trade Agreement which is an important part of the President's investment program, with an increase of \$139 million Governmentwide. The increase

of \$10.9 million for Interior will fund border inspections and enforcement, cooperative habitat conservation efforts, and allow more resources for border refuges and fisheries programs.

EQUITABLE RETURN OF PUBLIC RESOURCES

A major goal of the Department is to ensure an equitable return for the use of public resources. This goal includes rangeland reform, reform of the 1872 Mining Law, increased park fees, and payment of appropriate royalties by minerals producers.

I am working with the Congress, western governors, the livestock industry, environmental groups, and other interested parties in an open and collaborative process to develop an innovative rangeland reform plan. The Department will propose grazing regulations within the next few weeks, with final regulations in the fall.

The Department is also committed to working with the Congress to achieve comprehensive reform of the 1872 Mining Law. Specifically, we want to eliminate patenting, charge a hard rock royalty, make permanent the mine claim maintenance fees, and protect the environment. As a placeholder pending Congressional action, the budget reflects the revenue assumptions of the House-passed Rahall Bill which is based on an eight percent royalty on the "net smelter return". There is also a significant increase in funds requested for Bureau of Land Management Mining Law program operations, derived from claim maintenance fees, to cover additional efforts on the ground and to implement new legislation.

I am pleased to have the opportunity to work with the Congress on park fees and concessions fees. As you know, the Department has long been criticized for not being vigorous in ensuring that concessioners return an equitable share of their profits to the government. I respect this committee's hard work toward the passage of a strong concessions reform bill and I am committed to assisting Congress in the pursuit of an option which will allow a portion of the concession franchise fees to be retained by the park to enhance and maintain the existing park infrastructure.

NATIONAL PERFORMANCE REVIEW

The 1995 budget places an important emphasis on implementing the recommendations of Vice President Gore's National Performance Review. The Bureau of Reclamation has undergone a major review of its mission with a new goal toward becoming the Nation's preeminent water resources management agency. The Bureau of Mines, Geological Survey, Minerals Management Service, and Office of Surface Mining Reclamation and Enforcement are also undergoing major program

reviews. In addition, all bureaus are looking at ways to streamline administrative services in order to effect savings.

We have also included nearly \$47 million in administrative savings reductions in response to the President's Executive Order last year. The Department proposes to reduce FTEs consistent with the first phase of the President's long-term goal of reducing the Federal bureaucracy by 252,000. In 1995, this reduction is 1,377 FTEs.

INVESTMENTS IN SCIENCE

Recognizing that effective land management decisions must be based upon solid scientific research, the Department's budget includes significant new investments to provide a better understanding of resource management issues among public agencies and private landowners.

The 1995 budget would increase funding for water quality research by \$6.4 million. It proposes a National Spatial Data Infrastructure to share information affecting resource management decisions. The 1995 budget also requests \$176.8 million for the National Biological Survey to provide biological research and information necessary for effective natural resource management decisions. Endangered species conservation and recovery initiatives directed by the Fish and Wildlife Service will receive \$81.4 million in 1995 which includes increased funding for pre-listing conservation measures and consultations with other government agencies.

WATER RECLAMATION

Another important investment included in the President's Budget is water reclamation and reuse projects near Los Angeles. Working with urban water suppliers, the Bureau of Reclamation will help to conserve and reuse water, improve the quality of ground water in the San Gabriel basin, and reduce the need to import water.

LAND ACQUISITION

The 1995 budget of the Department continues the 1994 level of funding from the Land and Water Conservation Fund at \$190 million. Given current budget constraints, the emphasis on land exchanges must be increased. We propose to use \$7 million specifically on land exchange efforts in the Bureau of Land Management and Fish and Wildlife Service. Much of the funds for acquisition will be directed towards acquiring critical habitat and sensitive resources in selected areas such as desert tortoise habitat and riparian habitat along the Virgin River, both in southwestern Utah. Greater emphasis on exchanges increases the number of options available to land managers during negotiations with land owners, and can help improve overall manageability of land ownership.

BUREAU OF INDIAN AFFAIRS

The 1995 budget request reflects the Administration's continuing commitment to better fulfill its Federal Indian trust responsibility and support government-to-government partnerships. Within the overall Governmentwide constraints, the Bureau of Indian Affairs' budget was developed with considerable emphasis given to the priorities established by tribes at the area and national Bureau-Tribal budget meetings. Increases for the Bureau of Indian Affairs include \$8.8 million for tribal priorities on reservations. In addition, the budget will provide increased funding of \$15.8 million for school operations and a total of \$170 million for Indian land and water rights settlements, which fully funds enacted settlements.

MAJOR BUDGET REDUCTIONS

As I said before, the major challenges to the Department include staying within the spending caps and reducing the Federal workforce, but at the same time managing 440 million acres of lands and meeting the increasing demands on our resources. Let me re-emphasize that we had to make hard choices in this budget. One of the major demands on the resources is visits to parks, refuges, and recreation sites on public lands which are up 38 percent since 1985. If these trends continue, we will see another five percent increase in visitation each year.

The hard choices include deferring construction funding for the Bureau of Land Management, Fish and Wildlife Service, National Park Service, and Bureau of Indian Affairs from a total of over \$450 million to about \$300 million as proposed in the budget and a reduction of \$93 million in Bureau of Reclamation water projects. In addition, we reduced funding for the Bureau of Mines by \$19.9 million. We also propose to reduce grants to states to reclaim abandoned mined land by \$10 million and eliminate the Rural Abandoned Mine Program.

CONCLUSION

In summary, we have made the hard choices we have been called upon to make. This budget builds upon the progress we made with the Congress last year in realigning the Department's budget to reflect resource management needs. In doing so, we have supported the President's investments in natural resources, continued to seek an equitable return on the public's resources, and will seek to implement the recommendations of the National Performance Review to ensure that the Department provides better service at less cost.

I will be happy to answer any questions you may have.

STATEMENT OF BRUCE HABBITT, SECRETARY OF THE INTERIOR, BEFORE THE SUBCOMMITTEE ON PUBLIC LANDS, NATIONAL PARKS AND FORESTS, COMMITTEE ON ENERGY AND NATURAL RESOURCES, UNITED STATES SENATE, ON THE DEPARTMENT OF THE INTERIOR RANGELAND REFORM REGULATIONS; S. 1326, THE FEDERAL FORAGE FEE FORMULA ACT; AND S. 896, THE RANGELANDS RESTORATION ACT.

4/20/94

Historical Context

Mr. Chairman, Members of the Committee, before addressing the specifics of my testimony, I would like to express some personal perspectives on the issue of rangeland reform.

As most of you know, I was raised in a ranching family in Northern Arizona. As a child, I spent many Sunday afternoons out on the range with my Grandfather, then in his eighties, listening to him worry about the condition of the cattle, pulling up loco weed, and scanning the skies for the first sign of summer rains. Like many ranchers I know, he was sparing with words, but he would occasionally reminisce about the old days. He arrived in the empty expanses of Arizona in the early spring of 1886, filed on a homestead in Clark's Valley and devoted his life to building a great ranch, always reinvesting his money to improve the herd and acquire land, living so simply that even as a widower in his eighties, he lived alone in a tiny walk up apartment cluttered with saddles and Navajo blankets.

I learned on those Sunday afternoons how he had developed a gravity system to bring water more than 20 miles from Cedar Ranch to the SP pasture and beyond to the winter headquarters at Spiderweb. His efforts to fence pastures and to develop water made it possible to spread cattle more evenly across the range. He was proud that his range was in much better condition than in the old days of the open range, and he always expressed his hope that the CO Bar would stay in our family for generations to come.

Last year I sold out my share of that ranch in order to become Secretary of the Interior. But my brothers and cousins still own and manage the CO Bar, and they are working together to protect and improve the land for the next generation of ranchers.

It is for all these reasons that I have expended an extraordinary amount of time over the past year, seeking to find common ground and new ways of bringing westerners together to find a new equilibrium in the form of a strong livestock industry, flourishing within vigorous healthy landscape ecosystems. I want to help preserve the range for future generations of ranchers.

Unchanged Goals

I approach the topic of grazing, as do many of you, not just as an environmental or economic issue. This is an issue that has deeply touched my sense of family and community. Like so many Westerners, life on the range has helped shape me. And so I address this topic, as do many of you, with the energy and consistency of one who has worked on an issue for a very long time.

When this process of reform began last winter, I began with a set of clearly established goals. Through countless hours of meetings and debates, those goals remain the same today. That is so because these are not issue or policy positions, nor are they tactical approaches -- they are fundamental goals reflecting a deep commitment to improve and sustain the great American range.

Our first goal, from the start, was to raise public awareness of range issues. By bringing attention to range conditions, we hoped to begin discussions about improving the health of the public range.

Second, we would focus recovery efforts on riparian zones, which are key to the West's water supply and to the wildlife that helps make the West unique. Riparian zones need special attention: a 1990 EPA study noted that "extensive field observations in the late 1980's suggest riparian areas throughout much of the West were in the worst condition in history."

Third, we sought specific standards and guidelines for rangeland management. While this is key for resource protection, it also provides certainty for all parties involved: ranchers, land managers and environmentalists. Virtually all interests wanted to know what was expected of permittees.

Fourth, we needed to clarify ownership of water rights on BLM grazing allotments. BLM water policy differs from Forest Service policy. We want to ensure we do not put future permittees at a financial disadvantage.

Fifth, enforcement procedures for permit violations needed both clarification and streamlining, as a means of making them more fair and more effective.

Sixth, a reasonable increase in grazing fees is required to increase returns to the federal government and reflect the statutory mandate.

The final goal was to achieve the other goals without causing significant harm to ranchers and ranching communities and without losing the vast open spaces that are the industry's gift to Western cities.

Changing Tactics

As I said, these goals have remained unchanged throughout the discussions. Where there has been substantial change, however, is in the methods to achieve these goals.

Some of the methods have changed because of the dozens of meetings I've had all across the West. I met with ranchers, environmentalists, local elected officials, local business owners and ordinary citizens. And in the more serious discussions, I heard from participants who were interested not in staking out obvious positions, but in finding reasonable agreements with their neighbors.

The tactics also changed because of the vigorous and healthy debate that took place among Members of this Committee and on the floor of the United States Senate last fall. Senators of various ideological perspectives raised legitimate concerns. In many cases, I agreed with the concerns you raised, and the proof of that fact is the proposed rule: many of the changes directly address some of the concerns raised here.

Permit Tenure and Water Rights Changes

Let me talk about some specific ways in which returning to the original goals helped us write a rule that is far more responsive to the needs of ranchers out West, but which will also help achieve true reform on the range.

In meeting with Colorado ranchers and environmentalists, under the wise guidance of Governor Roy Romer, we took up our August proposal to limit many permits to five years. The ranchers pointed out that reducing permits from the present term of 10 years would make it much harder to get bank financing; they illustrated their point with specific examples. Environmentalists said this was not their intent, that their real concern was proper enforcement of permit conditions. The ranchers response: "Then let's discuss enforcement measures rather than sidestepping that issue by arguing about permit tenure." We moved on to a productive discussion, and all participants eventually agreed that permit tenure stay at 10 years.

In another example, last fall there were many who said the August proposal had rangeland water rights language that was so broad it threatened private water rights, interfered with state water adjudications and even endangered drinking water supplies across the nation.

What we did was return to a focus on our original goal. The guiding principle behind our proposal for water rights was simple: the water should stay with the land. If that water, now currently owned by the American public, is best used for livestock watering, then any future permittees should have access

to it, without having to pay the inflated rates that a private owner of the rights could charge.

The first step in the changes then, was to clarify what the proposal would not do. We made clear the following:

No valid existing water rights would be affected.

No new federal reserved water rights would be created.

There will be no change from existing BLM policy on water rights for uses other than public land grazing, such as municipal, industrial or irrigation uses.

The new language is limited to water used for livestock watering on public lands only.

Under our proposal, any new rights to water on public lands to be used for the purposes of livestock watering on such lands will be acquired, perfected, maintained and administered in the name of the United States under state law, providing that state law permits it. The new language generally brings BLM's water regulations in conformance with U.S. Forest Service practice and with BLM policy prior to changes in the early 1980's.

New permanent water improvement projects, such as stock tanks, wells, pipelines and spring developments would be authorized and compensated under cooperative range improvement agreements.

Those two examples, I believe, briefly show how a focus on our original goals enabled us to resolve legitimate concerns that were raised by Senators and others, while still achieving reform. They are illustrative of many other changes, somewhat similar in nature. We listened and, where possible within the context of our goals for true reform, made changes in our proposal.

For the remainder of my testimony, I would like to focus on three elements in the proposed rule. These are the areas with the most significant changes; they also comprise, I believe, the heart of reform. These are governance issues, the fees, and standards & guidelines.

Governance Issues

During the course of my eight week session with Colorado ranchers and environmentalists, I began to learn more about the "consensus groups" that have sprung up around the West. I began to realize that these groups were themselves an important tool in land management. They could contribute to developing policies and proposals for implementation as well, because the best discussions were those focusing on the details of land

management. Thus, a seventh goal emerged: increasing local participation in land use decisions.

In recent years, the antagonisms between ranchers and environmental advocates have escalated sharply, increasingly dividing the West against itself. And this trend bodes ill for all of us, for in the absence of western consensus, the making of Federal rangeland policy will inevitably drift outward to other regions and other groups.

Therefore, I believe that one of the core issues of rangeland reform is the process by which we make decisions. The model for change already exists in the consensus groups. These new groups bring together ranchers, environmentalists and interested citizens to meet over coffee at the kitchen table and out on the range to listen to each other, to develop mutual confidence and search for consensus in solving public land issues. These groups are as spontaneous as a pick-up basketball game, and they are as diverse as the western landscape in which they are taking root. In eastern Oregon they call themselves the Trout Creek Mountain working group, in Colorado, the Gunnison Group and the Owl Mountain CRM, in Wyoming the Sun Ranch CRM. There is a similar group at work in my hometown involving members of my own family. These groups are the true successors to the old Taylor Grazing Act committee of the 30's, for they are reinventing the old idea of local participation to fit the new realities of the American West.

I believe that the time is now at hand for the Bureau of Land Management to listen carefully to the changes taking place out on the land in this new West and to make fundamental changes, casting off the closed shop practices of the past and moving to embrace a more open diverse and public style of rangeland policy formulation.

The beginning point for a new rangeland advisory structure is the District Advisory Committee presently required by FLPMA. The Federal Land Policy and Management Act requires that members of the District Advisory Council be appointed "from among persons who are representative of the various major citizen's interests concerning the problems relating to land use planning or the management of the public lands located within the area. This somewhat general mandate has not been effectively translated into the truly diverse and effective representation that Congress intended. In many Districts the Councils have been weighted toward commodity producers at the expense of broader public participation. In all cases, there has not been any attempt to involve Governors, interest groups and the public in identifying and nominating outstanding men and women for the councils memberships.

Therefore, the first objective of the new governance provision in the draft regulations will be to assure balanced representation of all the diverse groups and interests that have a legitimate stake in the administration of public lands. The regulations will set up three categories of representation as follows:

One third of the membership of the Resource Advisory Council will be representatives of commodity producing industries within the district, including grazing, mining and timber.

One third of the membership will be representatives of bona fide environmental, conservation and sportsmen's groups.

One third of the membership will be selected from public land users, state and local officials and members of the public who are not primarily advocates for commodity users or environmental groups. This category could include, for example, a representative from the state game and fish agency, a local elected official, and a range management specialist.

The draft regulations invite nominations for Council membership from all interested individuals or organizations and will require the Secretary to consider nominations made by the Governor of the state involved.

These Councils will be called Multiple Resource Advisory Councils. They will be encouraged to operate by consensus to the maximum extent feasible. These Advisory Councils will be charged with the full advisory function set out in FLPMA to "furnish advice to the Secretary with respect to the land use planning, classification, retention, management and disposal of public lands within the area..." The Council will also be charged to advise the Secretary with respect to such rangeland issues as the preparation of allotment management plans and the allocation of range improvement funds.

The Councils will have the authority under our regulation to petition directly to the Secretary if they believe their advice is not being followed. The Secretary must respond within 60 days.

The draft regulations also would allow Rangeland Resource Teams, appointed by Resource Advisory Councils, which would have five members -- two permittees, one environmental representative, one member representing wildlife and recreation interests and one at large community representative. These Teams may be created at the BLM Area management level, or operate over a smaller area if desired. The goal is to base them on the experience of the new working groups, to encourage good stewardship, to work toward

collaborative solutions and to provide information and recommendations to the Resource Advisory Councils.

The Rangeland Resource Team is intended to bring local interests together, in a consensus building mode, to develop cooperative approaches to solving specific on-the-ground range issues. The Rangeland Resource Teams will be empowered to provide recommendations to the Multiple Resource Advisory Councils for their consideration. The regulations will also authorize the Multiple Resource Advisory Councils to create, on an ad hoc basis, Technical Review Teams to investigate and develop proposed solutions to specific resource issues which may arise in the local area.

Fees

In a second major area, we heard much criticism last fall. Producers said the proposed grazing fee was too high. Many conservationists and fiscal conservatives said it was too low. Having listened to the debate, our new proposal represents significant change.

In establishing the proposed fee, we determined that it should approximate fair market value and comparable to fees paid for leasing on private lands. It should provide the public with a fair return for the use of its resources, but should not cause significant harm to the Western livestock industry and to ranching dependent communities. We also believe the fee should recover a reasonable amount of the Government's administrative costs and be reasonably easy to administer.

We used the two major studies as sources for establishing a base value that reflects the costs of operating on Federal lands as compared to private lands. (A base value then can be used to determine the fee.)

In 1966, the Western Livestock Grazing Survey interviewed more than 10,000 individuals to determine the nonfee costs of operating Federal lands. This study has provided the base value for the fee calculation since PRIA became law in 1976. That study determined that the value for grazing on federal lands equalled \$1.23 per animal unit month (AUM). Updating that figure to 1991 would result in a value of \$3.25 per AUM.

In 1983, an appraisal of the value of grazing on BLM and Forest Service lands in 16 Western states involved data collected on 100,000 leases. It divided the states into six different regions. Updated to 1991, the region with the highest value showed a value of \$10.26 per AUM. The region with the lowest value, updated to 1991, showed a value of \$4.68.

To determine the base value for the fee, we simply took the Western Livestock Grazing Survey and the lowest of the six regional values in the 1983 survey and split the difference.

Once we had established the base value, we had originally assumed that 1993 would be used as the year to establish the forage value index, the other figure required to establish the fee. We heard criticisms, however, from this body and from other sources, that we were allowing a fee increase to silently creep up as we were phasing in higher fees. We therefore chose to use 1996 as the base year for the forage value index used in the formula. By definition, the forage value index will be set at 1.0 in 1997. What does this mean in a practical sense? If we today set the forage value index at 1.0 for 1997, the fees in 1997 will not reflect any changes in the cost of ranching between 1996 and 1997. If costs go up (and some claim they will), public lands ranchers will get a better deal.

There are other significant fee issues that we considered. The fees will be phased in over a period of three years. Fees, currently set at \$1.98 per AUM, would climb to \$2.75 in 1995, \$3.50 in 1996 and \$3.96 in 1997.

Despite the increases, these new rates would still continue to be significantly lower than those charged by private land owners in the West and by the overwhelming majority of Western states for state-owned lands.

After full phase-in, the new fees would not have a significant impact on the vast majority of public lands ranchers: more than 73% of BLM permittees would have fee increases totaling less than \$1,000 per year.

Nonetheless, we have proposed two significant measures that will provide insulation against rising fees.

First, our proposal includes a fee discount of 30% for ranchers who meet higher environmental standards. Ranchers meeting the higher environmental standards would have rates of only \$2.77 -- an increase of only 81 cents per AUM.

Second, despite the fact that economic analysis continues to show the fee increases will not force ranchers out of business, our proposed rule contains language calling on the Department to analyze the impact of increased fees after each year of the phase-in. If the fee does have a significant negative impact, it may be reevaluated.

It is our intention to have the incentive fee available by 1996--the second year of the phase-in. However if we have not promulgated the eligibility criteria prior to the third year, the third year phase-in will not occur. The fee will remain at

\$3.50. We have already started the process of seeking input on how best to develop the incentive fee criteria.

These two provisions -- a mere 81 cent per AUM increase for good stewards and a requirement that we reconsider if it is determined that this proposal has a significant negative economic impact -- are important parts of our fee proposal.

Standards & Guidelines

In the third major area, our August proposal called for national standards -- one set for the whole country. Two things led us to change our approach and call for state standards.

First, many ranchers pointed out that a "one-size fits all" straightjacket could not be realistically fitted to the tremendous variety of soils and climatic conditions in all of the western states. What works in the high, well-watered summer pastures of the northern Rockies may have little application to ephemeral spring grazing in the Sonoran Desert of southern Arizona. Rotation practices adequate for eastern Oregon may be destructive to ranges in southern California.

Second, members of the Colorado working group reminded us of our original goal: providing certainty. State standards, written to meet national criteria and approved by the Secretary, would surely provide certainty to all involved in the process.

Thus, the move to state standards and guidelines.

Our proposal would, for the first time ever, require ranchers to meet standards and guidelines, written and implemented at the state level, when grazing livestock on lands controlled by the BLM. BLM state directors will coordinate the drafting of standards and guidelines. In doing so, they are to work closely with the Multiple Resource Advisory Councils I mentioned earlier. Before becoming final, standards and guidelines must be approved by the Secretary.

We call for standards and guidelines because of one simple fact: our rangelands are in great need of improvement. In particular, riparian zones are threatened across the West.

According to a 1990 study by the Environmental Protection Agency, "extensive field observations in the late 1980's suggest riparian areas throughout much of the West were in the worst condition in history." Other studies show that between 70 and 90 percent of the natural riparian ecosystems in the contiguous United States have been lost because of human activity.

Riparian zones play an essential role in supply and purifying water for human consumption throughout the West. They

also provide essential habitat for wildlife. For example, 82 percent of breeding birds in Colorado occur in riparian zones, 75 percent of all wildlife species in southeastern Wyoming depend on riparian areas, and 51 percent of all bird species in the southwestern states are completely dependent on riparian areas.

Just as significant is the fact that riparian areas are among the most resilient ecosystems on public lands. If given a chance, they can come back to their full, healthy state. Elevated standards, in riparian zones and elsewhere, give us a chance at real success. They remind us that success need not be defined simply in terms of staving off inevitable decline or in holding back damaging trends. Success, in this endeavor, can be defined in far more positive terms: we can restore the public rangelands to their greatest potential. It is clear to me that, in all the areas of public land management, there is no greater chance of true restoration, at as small a cost, as there is with the management of our public rangeland uplands and riparian zones.

To address the problems in rangeland health, our proposal would establish four national requirements that state standards and guidelines must meet.

- (1) Grazing practices must maintain or achieve properly functioning ecosystems.
- (2) Grazing practices must maintain or achieve properly functioning riparian systems. Special focus on riparian zones brings attention to those areas which have suffered the greatest damage -- but which also have the greatest potential for recovery.
- (3) Grazing practices must help maintain, restore or enhance water quality. Water quality on allotments must meet or exceed State water quality standards.
- (4) Grazing practices must ensure to the extent practicable the maintenance, restoration or enhancement of habitat for threatened or endangered species and must also give consideration to those species which are candidates for listing. This kind of focus can help us avoid the kind of train wrecks that have helped make other public resource battles so contentious.

The standards represent the fundamental legal mandates under the Taylor Grazing Act, the Federal Land Policy and Management Act, the Endangered Species Act and the Clean Water Act.

State standards must address soil stability and watershed function, the distribution of nutrients and energy, and plant community recovery mechanisms. The state guidelines would

provide direction for that action, and must address the following.

Grazing management practices must assist in recovery of threatened or endangered species in the area, and should work to prevent listings.

Grazing practices must be designed to restore or enhance water quality so that it meets or exceeds State water quality standards.

Grazing plans should consider such issues as the timing of critical plant growth and regrowth. Consideration must be given to periods of rest from livestock grazing.

Plans must address situations in which continuous season-long grazing would be consistent with achieving properly functioning conditions.

The selection criteria and design standards for the development of springs, seeps and other projects affecting water and associated resources must maintain or enhance the ecological values of those sites.

In those areas where grazing may be authorized on ephemeral rangelands, a criteria for minimum levels of production must be set in advance. Likewise, standards must be set for the minimum level of growth that is to remain at the end of the grazing season.

Criteria must be developed for the protection of riparian-wetland areas. This includes the location, or the need for location or removal, of stock management facilities that may be outside of the riparian area itself. These include such facilities as corrals, holding facilities, wells, pipelines and fences. Consideration must also be given to the modification of livestock management practices, such as salting and supplement feeding.

Plans must have utilization or residual vegetation targets which will maintain, improve or restore both herbaceous and woody species to a healthy and vigorous condition. They must facilitate reproduction and maintenance of different age classes in the desired riparian-wetland and aquatic plant communities. They must also leave sufficient plant litter to provide adequate sediment filtering and dissipation of stream energy for bank protection.

In those states where the BLM director is unable to produce, within 18 months, standards and guidelines that are approved by the Secretary, fallback standards and guidelines, published in the proposed rule, will be used. BLM State Directors will have

the option of revising these fallback standards and guidelines to provide a better fit in their State.

These standards and guidelines focus healthy range ecosystems, which will benefit all who care for and use our public lands. Healthy ecosystems are good for wildlife and they are good for people. They also happen to be very good for cattle and for the cattle industry.

Conclusions

Sixty years ago, or even twenty years ago, these concepts, which will guide a new chapter of rangeland reform, might not have worked. Back then the West depended almost exclusively on commodity production. Flagstaff, where I grew up was a town where life centered around shift changes at the sawmills and spring roundup and fall shipping. There weren't any environmental advocates, at least as that term is commonly used today. In those days, it was perhaps inevitable that national sportsmen, conservation and environmental groups looked exclusively to Washington to advocate for their interests.

Today, however, the West is a different place. Flagstaff is now a community where ranchers and loggers and miners mingle with river guides and scientists who work for hi-tech manufacturers. Similar changes are occurring all over the West. You no longer have to go to Washington or New York to find skillful environmental advocates; you can find them right next door.

My wager, reflected in the draft regulations, is that in the New West the stakeholders, in all their diversity, can come together and forge a new consensus for public land management. For we are neighbors, we grew up and went to school together, shared outdoor experiences that shaped our lives, and we all know that the West is a better place for having both a strong livestock industry and a healthy environment.

S. 1326 and S. 896

Upon reviewing the provisions of S. 1326 and S. 896, I noted a number of similarities between the elements of the bills and the proposed regulations that I have described. I believe that both bills are well intentioned and reflect our common desire to address significant issues relating to grazing activity in the West.

However, the Department cannot support S. 1326, the "Federal Forage Fee Act of 1993." The measure is a constructive alternative to the old and discredited Public Rangeland Improvement Act formula but is far too complicated to be practical, and, by triple counting the differences between

federal and private land leases, fails to draw the pricing of forage on public rangelands closer to free market mechanisms.

The grazing fee formula in the legislation is consistent with the fee formula included in the Department's proposed rule in terms of using a weighted average of the private grazing land lease rates in western states. However, the legislation uses the weighted average of the private rates in the 16 western states, which would exclude Texas, while the Department's proposed rule would use the weighted average for the 17 western states. The legislation is also consistent with the Department's proposed rule in restricting annual increases or decreases in the grazing fee to not more than 25 percent of the fee in the prior year.

The Department cannot support S. 896, "Rangelands Restoration Act of 1993." Although we see some positive features with the subject bill, we have serious fundamental concerns as well. The measure will cost too much to administer and may not achieve its intended improvements in public rangelands condition. We believe the Department's proposal represents a more workable way of achieving the desired objectives.

That concludes my prepared statement. I would be happy to answer any questions you may have.

**STATEMENT OF SECRETARY OF THE INTERIOR BRUCE BABBITT
SENATE COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS
OVERSIGHT HEARING ON THE ENDANGERED SPECIES ACT**

JUNE 15, 1994

Mr. Chairman, and members of the Committee, thank you for asking me to be here today.

I am pleased to discuss an environmental law that I hold dear, and that I believe most of you in this Congress and in this nation hold dear. I say that fully aware that there are many questions and concerns about the Endangered Species Act.

I am here today in my capacity as one of the two Cabinet Secretaries that Congress has charged with administering the Act. I want to tell you what I have learned after administering the Endangered Species Act for 18 months, and what Secretary Brown and I want to do differently with respect to that Act from now on. None of the items I am going to discuss today require legislation. Indeed, Congress has wisely and capably provided many tools to make the Act work better. Those tools are found in underutilized sections of the ESA, as well as in other environmental legislation like the Clean Water Act, and in other statutes like the Farm Bill.

The job of an administrator is to make the best use of the tools at his disposal to accomplish a mission. From January of 1993 to the present, I have focused much of my attention on the Endangered Species Act. I have charged most of my staff at the Department to do likewise. I have focused on the ESA because it can be the most useful tool that has ever been fashioned for the land and resource planners of this country--and not because of its law enforcement authorities. This Act is crucial to this nation's future because the underlying mission--preserving species by conserving habitat and resources--is one which can ensure a more prosperous economy and higher quality of life for all of our citizens for generations to come.

The Endangered Species Act is an extraordinary and eloquent law, and it has been a stunning success. In twenty years, the Fish and Wildlife Service has had more than 118,000 consultations with agencies about whether planned development actions were consistent with the law. Out of 118,000 consultations, only 33 projects were stopped as a result of the Endangered Species Act. Since 1972, about 890 plant and animal species in the United States have been listed as endangered or threatened. Forty percent of these plant and animal populations have actually been increased or stabilized.

The Endangered Species Act has been responsible for improving populations of declining species throughout the United States and has been the focus of international conservation efforts. American alligators and the Palau Dove no longer need the Act's protection and have been removed from the list of threatened and endangered species. We will be removing the Pacific gray whale from the list of threatened and endangered species very soon. The bald eagle, peregrine falcon, grizzly bear, eastern timber wolf, whooping crane, black-footed ferret, Columbian white-tailed deer, and greenback cutthroat trout have been recovered from the brink of extinction and are approaching full recovery and delisting. California condors and red wolves have been returned to the wild and are improving dramatically.

But the problems of owls and salmon and snails and rats have consumed the lion's share of headlines, if you'll pardon the expression. We knew when we inherited this Act that we needed to work on the tough issues--we didn't dodge them.

In the past year, we have worked exhaustively with other Federal agencies and our non-federal partners. We have explored the use of special rules under section 4(d), which provide flexibility to accommodate economic activities while furthering the recovery of list species. We developed a special rule for the coastal California gnatcatcher, for example, that provided a lot of support for a State planning process. This planning process has brought many communities together to address the problems facing the coastal sage scrub ecosystem from a comprehensive perspective that will prevent further declines of other species that depend upon this ecosystem. At

the same time, residential development in the area continues. We are in the process of developing a similar rule for the Pacific Northwest that will resolve many of the issues in that region.

We have also increased our focus on habitat conservation planning throughout the country. Permits have been issued for 28 habitat conservation plans and 11 amendments to existing plans. In addition, about 100 conservation plans are in some stage of development throughout the country. We are working closely with Clark County, Nevada, to develop a long-term conservation plan that will allow the City of Las Vegas to continue to grow and expand while protecting its desert environment and the Desert tortoise that depends on that environment. We are working closely with Travis County, Texas; Washington County, Utah; Brevard County, Florida; and the State of Georgia to achieve the same purpose through conservation planning.

We are also working cooperatively with business leaders and individuals who share our commitment to conduct their economic activities in an environmentally responsible manner. We have entered into three cooperative agreements with private industry to protect the Red-cockaded woodpecker in the southeastern United States. These agreements, which have been signed with Georgia-Pacific Corporation, Hancock Timber Resource Group, and International Paper Company, make significant contributions toward the recovery of the woodpecker and will also benefit all of the species occurring in the longleaf pine ecosystem, which many scientists consider an "endangered" ecosystem. Because of the success of these three cooperative agreements, four other companies are in the initial stages of negotiating cooperative agreements with the Administration.

These companies now have a clear understanding of where and how to proceed with their development activity while making certain their activities are in full compliance with the Endangered Species Act. They can better forecast available supplies of harvestable timber, they can plan ahead, and they can rest assured that they have made a significant contribution to the survival of the red-cockaded woodpecker.

Another example of cooperative solutions to recovery efforts can be found in Powell County, Montana, where the Departments of the Interior and Commerce are working on a project in Blackfoot Spring Creek. This project is a small but critical component of a comprehensive initiative to restore fish and wildlife habitat in the Blackfoot River Watershed. The objective of the

project was to restore a 1.5-mile stretch of stream and riparian habitat on a ranch owned by Mr. Jon Krutar. Both Mr. Krutar, who is a third generation cattle rancher, and the Montana Department of Fish, Wildlife, and Parks were concerned about deteriorating water quality and declining fish populations in the stream. In 1992, Mr. Krutar was asked to consider a proposal to restore Blackfoot Spring Creek and signed a cooperative agreement shortly thereafter. A partnership between Mr. Krutar, the Departments, Montana Partners for Wildlife, Montana Department of Fish, Wildlife and Parks, Trout Unlimited, Montana Trout Foundation, and the Cinnebar Foundation funded the restoration, which would benefit such species as the bull trout (which is being considered for listing as a threatened or endangered species), westslope cutthroat trout, bald eagle, osprey, and harlequin duck.

In 1992, the restoration project began. In 1993, adult bull trout were observed in the creek for the first time in seven years and the numbers of juvenile cutthroat and rainbow trout numbers more than doubled.

After more than a year of learning the strengths and pitfalls of previous approaches to implementing the Act, the Secretary of Commerce and I have developed six principles that will serve as a framework for our activities under the Act. Those principles are:

1. **Prevent Endangerment** -- In carrying out its laws and regulations, the Federal Government should seek to prevent species from declining to the point at which they must be protected under the ESA. We must do everything we can to prevent endangerment. For more than two decades, we have understood the relationship between the health of our Nation's ecosystems and the species that live there. Based on an understanding of that relationship, the U.S. Congress has given us laws like the National Environmental Policy Act, the Clean Water Act, the Coastal Zone Management Act, the National Forest Management Act, and the Federal Land Policy and Management Act that are intended to balance the social and economic needs of our society with the need to preserve the health of the ecosystems on which we all depend.
2. **Strengthen the Safety Net** -- Listing, planning and implementation of recovery plans, interagency consultations, and conservation planning must be made more effective to ensure prompt protection and recovery of endangered and threatened species.

3. **Increase Flexibility** -- The ESA must be carried out in a flexible manner that avoids unnecessary effects upon private property and the regulated public, and minimizes those effects that cannot be avoided, while providing effective protection and recovery of endangered and threatened species.
4. **Reduce Delay and Uncertainty** -- The ESA must be carried out in an efficient, fair and predictable manner to reduce delay and uncertainty for Tribal, State and local governments, the private sector and individual citizens.
5. **Ensure Sound Science** -- Federal Endangered Species Act policy must be based on the best scientific information available.
6. **Build Stronger Partnerships** -- Building new partnerships and strengthening existing ones with Federal land management agencies, Tribal, State and local governments, the private sector, and individual citizens is essential to each of the five previous principles and to the conservation of species under the ESA in a fair, predictable, efficient and effective manner.

Yesterday, the Departments of the Interior and Commerce announced a package of reforms that will have an immediate and positive effect on how the ESA is implemented throughout the Nation. This package builds on these six principles. The package includes six joint policy directives from the Director of the U.S. Fish and Wildlife Service and the National Oceanic and Atmospheric Administration's Assistant Administrator for Fisheries which will take effect immediately. These reforms will:

A. Ensure That ESA Decisions Are Based on Sound Science.

To ensure that Endangered Species Act policy is based on the best scientific information available, the National Marine Fisheries Service (NMFS) and the U.S. Fish and Wildlife Service (FWS) are issuing two joint policy directives. The first requires the use of independent peer review in the listing and recovery planning processes. The second of these directives establishes standards for scientific information used in making ESA decisions, and for review and evaluation of that information.

B. Expedite Completion of Recovery Plans and Minimize Social and Economic Impacts That May Result From Their Implementation.

The joint FWS/NMFS policy directive issued on recovery planning will require that any social or economic impacts resulting from implementation of recovery plans be minimized. It will require that recovery plans for species be completed within 30 months of the date of the species' listing. This policy directive commits NMFS and FWS to involving representatives of affected groups and providing stakeholders with an opportunity to participate in recovery plan development and implementation. It also will require that diverse areas of expertise be represented on recovery teams.

C. Provide Greater Predictability For The Public Concerning Any Effects of Species Listings on Proposed or Ongoing Activities.

A joint FWS/NMFS policy directive will require the Services to identify, to the extent known at final listing, specific activities that are exempt from or that will not be affected by the section 9 prohibitions of the ESA concerning "take" of listed species. In addition, this directive also will require the identification of a single point of contact in a region to assist the public in determining whether a particular activity would be prohibited under the ESA. These initiatives will help educate the affected publics, as well as increase certainty regarding the effect of species listings on proposed or ongoing activities.

D. Avoid Crisis Management Through Cooperative Approaches That Focus On Groups Of Species Dependent On The Same Ecosystem.

The FWS and NMFS are issuing a joint policy directive that emphasizes cooperative approaches to conservation of groups of listed and candidate species that are dependent on common ecosystems. It directs that group listing decisions should be made where possible and that recovery plans should be developed and implemented for areas where multiple listed and candidate species occur. And it emphasizes the importance of integrating Federal, Tribal, State and private efforts in cooperative multi-species efforts under the ESA.

E. Increase Participation Of State Agencies In ESA Activities:

A joint policy directive by the FWS and NMFS recognizes that section 6 of the ESA requires that the Departments cooperate to the maximum extent practicable with the States in carrying out the program authorized by the Act. It recognizes further that State fish and wildlife agencies --

- possess primary authority and responsibility for protection and management of fish, wildlife and plants and their habitats, unless preempted by Federal authority;
- possess scientific data and expertise on the status and distribution of species; and
- are essential to achieving the goals of the ESA because of their authorities, expertise, and close working relationships with local governments and landowners.

The policy directive, therefore, requires that State expertise and information be used in pre-listing, listing, consultation, recovery, and conservation planning. It further requires that the Services encourage the participation of State agencies in the development and implementation of recovery plans.

In addition to this immediate action, the Departments of the Interior and Commerce will convene an interagency working group to develop a package of additional administrative initiatives to improve the implementation of the Act. This working group will seek participation from all Federal agencies to identify additional administrative changes that can be made to address endangered species issues. This task force will solicit help and contributions from non-federal interests like the States, county and local governments, business interests, and private citizens.

The two Departments will also establish individual working groups that will focus on relationships with Indian Tribes, streamline the section 10 process (Habitat Conservation Planning) to make it easier for private citizens to receive "incidental take" permits, and establish directives on the use of controlled propagation of listed species. We will continue to search for additional ways to increase the participation of State and local governments in Endangered Species Act-related activities.

Finally, we must recognize the budgetary realities that currently face our Nation and focus the limited resources of the Federal government more effectively.

Mr. Chairman, I believe at this point that we need to continue to explore every means of improving the implementation of the Endangered Species Act through administrative changes. Applying the principles I just outlined--and building on the experience we have gained over the past year--we have undertaken a policy initiative to implement the Endangered Species Act in a more professional, cooperative, and less confrontational manner.

These six joint policy statements for the Fish and Wildlife Service and the National Marine Fisheries Service are designed to increase flexibility in the Act's application and to provide greater certainty to businesses and private individuals. I believe these policies address some of the persistent criticisms associated with the way the Endangered Species Act has been implemented in the past.

I will add that this is still the beginning of the process for us. As we proceed, we hope to continue our dialogue with you and will seek your counsel on how we can make the Endangered Species Act the best piece of conservation legislation ever enacted.

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

TESTIMONY OF BRUCE BABBITT, SECRETARY OF THE INTERIOR, BEFORE THE HOUSE RESOURCES COMMITTEE REGARDING THE REINTRODUCTION OF THE GRAY WOLF INTO YELLOWSTONE NATIONAL PARK AND CENTRAL IDAHO

January 26, 1995

Thank you for the opportunity to address the House Resources Committee for the first time since its reorganization under the leadership of Chairman Young. I appreciate your taking the time today to focus on the Department's wolf reintroduction program.

I know that the Speaker has placed passage of the legislation necessary to carry out the Republican Contract With America as your highest priority these first 100 days of the 104th Congress. The President, in his address to you Tuesday night, challenged this Congress to work with the Administration to prepare the American people to face the demands of today's economy and to raise incomes today and in the future.

The Administration hopes to do this through continuing its efforts to work with this Congress to cut the deficit and enact the Middle Class Bill of Rights. This program reaches out to the families of America by helping with the cost of raising children, providing tax deductions for the cost of college tuition, providing payments for retraining, and providing incentives for retirement savings through the use of new IRAs that can also be used for investments in homes, education, or medical care.

In my capacity as a member of the President's Cabinet, I come here today to say that we will work with you to move forward and to improve the lives of the American people. We must work together to continue the progress we have made in combating the deficit, reforming education, fighting crime, and improving the natural heritage of this country.

Today the Committee considers the Department of the Interior's program for the return of the gray wolf to Yellowstone National Park and Central Idaho. We are now very close to achieving a major conservation goal of putting one of the most important predators in North America back on the road to recovery.

I am pleased to tell the Committee that all 15 wolves planned for release in Central Idaho are now on the ground and another 14 wolves are safely in their temporary homes for later release in Yellowstone National Park. Our aim is to speed the recolonization of wolves so that they can be removed from the endangered species list and federal protection by the year 2002. If we follow this plan we can restore a powerful symbol of the west to its rightful place, while recognizing the concerns of the region's residents.

This reintroduction program is the result of one of the most exhaustive public comment processes ever undertaken for a

wildlife conservation plan. Attached to my testimony is a summary of the public comment opportunities. Just to give you an idea, during just the 3-year process to develop the wolf reintroduction plan and complete the Environmental Impact Statement, the Department held 120 public hearings, meetings and open houses and reviewed some 170,000 public comments.

While there have been problems with the implementation of the Endangered Species Act (ESA) in some cases, this is one that has been done right. Our goal is in sight, and it would be tragic, in my view, should the Committee require us to abandon our plan at this late date, and kill or abandon the very animals whose survival might allow our grandchildren to experience wild wolves in Yellowstone. Nor would killing or abandoning these wolves resolve the issue.

Wolves that have begun recolonizing the northern portions of the region on their own are fully protected under the ESA. As a result of natural dispersal of wolves from Canada, about 6 packs (75 wolves) live in northwest Montana. Without reintroduction, wolves may slowly recolonize southward, but it would have taken decades before wolves would be expected to achieve recovery in Central Idaho and Yellowstone and thus removal from federal protection. In the interim naturally dispersing wolves would be fully protected under the ESA. With the experimental, non-essential population rule the Federal government has altered the

form of protection for these animals in a manner that will allow reestablishment while protecting the property and lifestyles of western ranchers.

It is important to remember that to do nothing is not free. As wolves that already live in northwestern Montana continue to expand their populations and disperse, wolf management will become more difficult and expensive without the reintroduction program. Because delisting of the wolf will take much longer, the long-term cost to the ranching community and to the Federal government would be much higher. Further, the concerns addressed in this reintroduction program would not be adequately addressed with natural dispersal. This is important because the current plan was adjusted in a number of ways to respond to State and other public comments.

In fact, during the review process Idaho stated its overall support for many of the provisions of the plan and specifically noted that "we appreciate the Service's consideration of local and state concerns about wolves." The final reintroduction plans expanded private citizens ability to control wolves and included a provision that reintroduced wolves will be removed if the final rules are not implemented as written. In addition, an open scientific review of the program's success will be prepared within 3 years.

Survey after survey shows there is significant public support for returning wolves to Yellowstone. A 1992 study found that 70% of visitors to Yellowstone supported wolf reintroduction -- with 82% of overnight visitors in favor. Nor is this an east versus west issue. Regional surveys indicated that more residents in Wyoming, Idaho, and Montana support wolf reintroduction than oppose it.

What about those who remain concerned about the potential impacts of returning wolves to the Yellowstone and Central Idaho ecosystems? To address their concerns, this innovative plan uses the most flexible and creative tools available under the ESA. These wolves have been reintroduced as a nonessential, experimental population (under section 10(j) of the Act), thus allowing comprehensive control of problem wolves.

Under this plan, not only can federal agencies relocate or kill problem wolves, but private ranchers will be able to kill wolves they see preying on their livestock. They can also harass wolves to keep them away from livestock. All the released wolves will be radio-collared and carefully monitored. Once 10 breeding pairs, about 100 wolves/area, exist for 3 successive years, the wolves can be delisted and managed solely by the States and Tribes.

We expect only modest economic impact to result from the

reintroduction. We do expect some loss of livestock to wolf predation and I certainly recognize that if you are the individual rancher whose livestock is killed, the loss is very real. However, for those who do lose livestock to wolves, a private program is already in place that is proven and effective whose policy is to pay for losses at fair market value. The overall effect of wolf predation on livestock will be minimal because of the flexibility allowed in wolf control under the experimental population rule.

No critical habitat will be designated, and there will be no land use restrictions on public or private lands for wolf protection after 6 packs are established (and only if necessary in active den sites prior to that time).

It is expected that hunting of male ungulates will not be affected, although harvests of female elk, deer, and moose may be reduced for some herds. Hunting of bighorn sheep, mountain goats or antelope are not expected to be impacted. Any losses in hunting-associated revenue may well be more than offset by the economic benefits from tourism that arise from wolf reintroduction.

It is currently estimated that people visiting Yellowstone National Park alone spend about \$425-million annually in Wyoming, Montana, and Idaho. Even a slight increase in visitation due to

the wolf's presence in this ecosystem would generate millions of dollars of additional economic activity.

What about the costs of this program? Current estimates are that the cost of wolf management until recovery would be about \$6.7 million over about 10 years -- less than the price of a single postage stamp (even at 1994 prices!) per American for the opportunity for our grandchildren to hear the cry of the wolf again.

On a voluntary basis, States can submit a plan to manage wolves outside federal parks and wildlife refuges, but are not required to assume this responsibility. Cost of State programs should not be considered in a vacuum. As I alluded to earlier, increased tourism will increase annual regional revenues by an estimated \$23 million.

In 1944 conservationist Aldo Leopold called for the re-establishment of wild wolves. Today, 51 years later, we stand at the brink of a new era in the west. One in which we live with wild wolves, not by destroying them but by carefully managing them. We know how to exterminate wolves, we've proven that. Now we have the chance to demonstrate that we can live alongside one of North America's greatest predators in some of America's most stunning wilderness and make whole again the first and perhaps most magnificent of our National Parks.

STATEMENT OF BRUCE BABBITT
SECRETARY OF THE INTERIOR
BEFORE THE SENATE COMMITTEE ON ENERGY AND NATURAL RESOURCES

FEBRUARY 16, 1995

I am pleased to be here at today's hearing on the FY 1996 budget request for the Department of the Interior.

No other place on earth have the people of a country made a greater commitment to the conservation of natural and cultural resources than in America. The value this Nation has placed on that commitment is reflected in the priority placed by both the President and the Congress on Federal funding for the Department of the Interior -- the Nation's premier conservation agency. The FY 1996 budget of the Department reflects a continuation of that priority by the President.

Total funding for the Interior Department for FY 1996 in current and permanent accounts will be \$9.77 billion, a net decrease of \$9.9 million from 1995. For funds subject to annual appropriation by the Congress, the FY 1996 budget for the Department seeks a net discretionary total of \$7.56 billion. This is a modest increase of \$215 million, or 2.9 percent, over FY 1995, but is only \$40 million, or one half of one percent, more than the amount provided for the Department in FY 1994. These totals assume discretionary savings of \$32 million from passage of park fee legislation and a forthcoming budget amendment reducing Bureau of Mines spending by \$20 million.

It is important to put these numbers in perspective. Most of our budget pays for people. In the Department's land management and science agencies, about 80 percent of our funding is in operational accounts and pays for day-to-day, on-the-

ground work by park managers, refuge staffs, and working scientists. In the Bureau of Indian Affairs (BLA), 86 cents of every dollar appropriated in the Operation of Indian Programs account goes to reservations for tribal priority programs, tribal government, education, and other programs.

Between FY 1994 and FY 1996, our cost of doing business as a result of pay increases and other uncontrollable changes will go up by 4.8 percent. At Yellowstone National Park, for example, this is equivalent to losing the salaries for 23 full-time staff members. The modest increase we have proposed for FY 1996 is targeted to maintaining our core responsibilities in the face of these increasing costs. Together with the redirection of resources from administrative overhead to programs that we are achieving through our National Performance Review (NPR) efforts, the FY 1996 budget will provide the level of resources necessary to preserve our magnificent National Parks, maintain our other land management and science programs, and meet the commitment of the Federal Government to Native Americans.

National Parks:

The National Parks are immensely popular with the American public. Visitation to parks and recreation areas continues to grow; estimated FY 1996 park visitation will be 276 million, the equivalent of one visit to a National Park during the year by every American. The budget responds to the extra demands of increased use by the camper, bird-watcher, angler, and hunter.

The budget for the National Park Service (NPS) proposes an \$80 million increase in the park operations account. This increase will fund an across-the-board increase for all park units of 2.4 percent to meet the demands of increased visitation and

continuing maintenance requirements, and unique natural resources and professional training programs. Additional increases are proposed for selected parks facing pressing needs. The budget for NPS also includes a \$15 million increase to implement the new Crime legislation, with lighting and other security measures at local parks; and \$67 million for a major effort to remove from parks dilapidated and unsightly trailers that are used for employee housing and replace them with permanent housing and repair or construct other housing.

The NPS budget also continues my emphasis on entrepreneurial management. Legislation to accompany the budget proposes expanded fee collection authority and new authority to generate revenue through leasing of unused park structures.

Indian Affairs:

In 1994, for the first time in history, a sitting President invited all Indian tribal leaders to meet at the White House to promote a truly government-to-government relationship. This was followed by a "Listening conference" in which I participated with the Attorney General and other Cabinet Secretaries to hear from tribal leaders.

The emphasis placed on Indian affairs is demonstrated by the fact that Governmentwide funding for Indian programs in the FY 1996 budget is increasing by \$418 million. This includes \$163 million for BIA, \$98 million for the Indian Health Service, and \$157 million for other agencies. The centerpiece of this Administration's policy is self-determination and tribal priorities.

Building on the base of these meetings, the FY 1996 budget for BIA strengthens our commitment to meaningful self-determination. The percentage of the BIA

operating budget distributed on the basis of priorities established by Tribes at the local level is proposed to increase from 34 percent to 48 percent, as a result of the transfer of the contract support and general assistance programs to, and program increases of \$18.3 million, for Tribal Priority Allocations.

In addition to the increase for Tribal Priority Allocations, proposed increases include \$27.7 million for other reservation based programs, such as tribal justice and child protection; \$32 million for increasing school enrollments, currently estimated at about 50,000 Indian children; \$22 million for school construction to address the serious backlog of health and safety needs at more than 180 schools; \$12 million to continue the repair of five high hazard dams on reservations; and \$12 million for tribal land consolidation.

Science Programs:

I would like to stress the importance of our science programs to the Nation. The Department's budget continues to support a strong, independent program of scientific research to provide basic earth science, biological, and minerals data for the Federal Government and the Nation. Agencies that both conduct science and make regulatory decisions may be suspect of favoring research that supports their preferred outcome; however, the Department's earth and biological scientists carry out their work in non-regulatory agencies. They do not make regulatory decisions. This enables them to provide objective input to complex debates without raising questions of motive or influence. Our science programs are used to make informed decisions about the use of our resources and to protect the health and safety of our citizens. These would not be done by the private sector.

Overall, science funding is proposed at the same level as FY 1995. The FY 1996 request for the Geological Survey is \$586.4 million, an increase of \$15 million above FY 1995; the request for the National Biological Service is \$172.7 million, an increase of \$5.8 million; and the request for the Bureau of Mines is \$132.5 million, a decrease of \$20 million below FY 1995 which is part of the second phase of the Reinventing Government initiative and will be formally transmitted to the Congress by a budget amendment. With respect to the Bureau of Mines, it has conducted a formal program review to find ways to reorganize and streamline, as envisioned by the NPR. The changes being implemented maximize the application of the Bureau's program and staff to develop programs to solve national problems related to past mining activities and other environmental needs.

By streamlining and redirecting resources, we have been able to fund our highest priority science programs. A few examples of these include the National Water Quality Assessment program, the Earthquake Monitoring program, and providing biological information to States to assist them in managing migratory birds and other wildlife.

Partnerships:

The FY 1996 budget also provides support for partnerships with States and local governments in order to make more resources directly available to them. About \$1.5 billion of the Department's budget will go to States in grants and payments. Two-thirds of this funding is provided from permanent appropriations that do not have to be requested each year. For that part that must be annually appropriated, our budget seeks an increase of \$53 million, or 12.6 percent, including increases of \$29 million for Cooperative Endangered Species Grants to help States and local

communities plan and fund land acquisition projects supporting Habitat Conservation Plans and \$10 million for Payments in Lieu of Taxes by the Federal Government to local governments, particularly in Western States.

The FY 1996 budget continues a number of partnership activities where we have successfully worked with States, local governments, private groups, and other Federal agencies. For example, the 1996 budget for the President's Forest Plan will provide a total of \$79 million, an increase of \$23 million above FY 1995. The Administration is committed to meeting timber sales targets in partnership with other agencies and the affected States. The budget includes \$30 million for the "Jobs in the Woods" program, which focuses on stream restoration and which has contributed to the economic revitalization of the Pacific Northwest, where unemployment is the lowest in a generation.

Another example of the Department's commitment to partnerships is in South Florida which will continue its focus on the restoration of the fragile Everglades ecosystem, with a total budget of \$62 million, an increase of \$15 million over last year. Restoring this ecosystem has been a coordinated effort among Interior, the Army Corps of Engineers, Commerce, Agriculture, EPA, Justice, and the State of Florida. Our successes during the past year include ending long-standing litigation, developing a draft report to guide Federal restoration efforts, and releasing for public review a draft Army Corps of Engineers study for replumbing. Funding for FY 1996 will focus on critical science to aid in restoration, additional land protection, and continued water deliveries to Everglades National Park and Loxahatchee National Wildlife Refuge.

Another partnership effort is the Appalachian Clean Streams initiative headed up by the Office of Surface Mining. The Appalachian region's most serious water quality problem is pollution caused by acid mine drainage, which has destroyed more than 7,000 miles of stream. This initiative, which is to prevent acid mine drainage, clean up damaged streams, and enhance fishing and other recreation, involves key partnerships with other Federal agencies, State coal regulatory authorities, fish and wildlife agencies, local water districts, and coal field residents. The FY 1996 budget has targeted \$11 million for this effort.

In December, Federal and State agencies signed an agreement designed to protect the aquatic ecosystem of the Bay/Delta and provide greater reliability for urban and agricultural water supplies. The agreement is a major step toward resolving water issues caught in gridlock for more than a decade and has been endorsed by business, urban, agricultural, and environmental groups. It creates a three year window for State/Federal efforts to find long-term solutions to maintaining economic and environmental uses of the Bay/Delta. The FY 1996 budget includes an increase of \$3 million for the Fish and Wildlife Service and the Bureau of Reclamation to continue their participation in these efforts.

Reinventing the Interior Department:

The Department's budget also focuses on three management areas within -- streamlining, reengineering, and customer service -- as a way to achieve the goal of ensuring that the funding the American people provide is used as efficiently and productively as possible. We have been a leader in the Administration's initiative to reinvent Government. In FY 1995 we will continue to meet the growing demand for services with fewer dollars. In FY 1996, the Department will continue its

reinvention efforts with phase two of the NPR. This will be a top-to-bottom review of all programs and activities. The Department will be announcing the results of this review in the near future.

Receipts:

The Department also collects revenues from the leasing of natural gas and oil resources, both offshore and onshore, from coal, timber, and grazing on Federal lands, and from numerous other sources, such as recreation fees. Total receipts are estimated at \$6.9 billion in FY 1996, an increase of \$1.4 billion above the current estimate for FY 1995. The increase is due primarily to the projected release of \$1.4 billion in OCS escrowed funds. It also includes additional revenue from new authority to set park entrance fees (\$32 million) and NPS facility leasing (\$8 million).

Conclusion:

We have an important task to undertake. I believe we have submitted a good budget that reflects the need to streamline and make Government more efficient, while still meeting the varied, national responsibilities of the Department of the Interior. I look forward to working with you to meet these responsibilities.

This concludes my prepared statement. I will be pleased to answer any questions.

STATEMENT OF SECRETARY OF THE INTERIOR BRUCE BABBITT
SUBCOMMITTEE ON DRINKING WATER, FISHERIES AND WILDLIFE OF THE
SENATE COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS
ON S. 191

MARCH 7, 1995

Mr. Chairman, thank you for inviting me to appear before the new Subcommittee on Drinking Water, Fisheries and Wildlife to discuss legislation which would impose a moratorium on listing and consultation under the Endangered Species Act. I look forward to working with you and the other members of the Subcommittee to conserve the nation's fish and wildlife heritage.

The Endangered Species Act is one of the most innovative, wide-reaching, and important environmental law that has been passed in recent times. This hearing signals the start of a debate over whether to authorize continued spending on threatened and endangered species. During this debate, the members of this body of the Congress will decide whether the commitment to threatened and endangered species is worth keeping. This body of the Congress will play an integral role in deciding the fate of the Endangered Species Act.

That is why the Department of the Interior looks forward to this debate and the opportunities to work with this Subcommittee in reviewing those problems and how they might best be solved. To this end, I am pleased to share with the Subcommittee this morning a 10-point package of improvements to the Endangered Species Act which the Department has just announced that incorporates important administrative policy changes we have already made under the existing law in the past two years and identifies additional areas that could be addressed through regulatory or congressional action.

Mr. Chairman, it is hard to ignore the social and economic environment in which the Congress will consider the Endangered Species Act. Our workforce is changing, demanding higher skills at the very time our public education system is being challenged. We face pressing problems about health care costs and other competing economic needs, particularly at the local level. Our demand on our

natural resources is increasing just at the time when those resources are being stretched to the limit.

We need to be careful that in our search for solutions to our problems that we do not settle for short-term fixes, especially where they cause even more problems. It is also important that we not scapegoat. The Endangered Species Act has been blamed for everything from homelessness to trade deficits. It is important to properly assign culpability. The Endangered Species Act did not cause the stresses that we have placed on some of our fragile ecosystems. It is only when those ecosystems begin to fail that we find loss of habitat and threats to the very survival of species. The need to manage our resources wisely has always been there -- for the benefit of all human beings who rely on the functions they provide. The Endangered Species Act is a warning light. When one species in an ecosystem's web of life starts to die out, all species may be in peril. That includes us.

Mr. Chairman, we have strived to implement the Endangered Species Act in a manner to help resolve or avoid conflicts between the needs of a species threatened with extinction and the needs of our society. Despite the negative publicity about a few cases, I believe the Endangered Species Act works. I believe the examples of problems and conflicts associated with endangered species are rare given the number of species that are currently listed as threatened or endangered in this country. We must find ways to resolve and prevent these problems and we are doing that.

In the Pacific Northwest, for example, we launched a number of initiatives to restore the ecosystem, while minimizing the Act's immediate impact on people and their livelihoods. The Administration has developed a Forest Plan which will preserve the northern spotted owl and support the timber communities in the Pacific Northwest by providing a truly sustainable, long-term flow of timber from Federal lands. That plan will help prevent other species from declining to the point where they will need protection of the Act.

The Departments of the Interior and Commerce have joined with other Federal agencies to help prevent species from becoming threatened or endangered. For example, the Forest Service and the Fish and Wildlife Service recently entered into a cooperative agreement to protect a rare species of salamander by stabilizing and protecting its populations in a national forest so that it did not have to be listed as threatened or endangered.

We have entered into three cooperative agreements with private timber companies to protect the red-cockaded woodpecker in the southeastern United States. Because these cooperative agreements benefit both the woodpecker and the timber companies, four other companies are in the

initial stages of negotiating similar agreements with the department involving three additional states. The Fish and Wildlife Service is also working on six habitat conservation plans in five Southeastern states involving both industrial and non-industrial forest lands to provide additional protection to the red-cockaded woodpecker.

The Endangered Species Act has been responsible for improving populations of declining species throughout the United States and has been the focus of international conservation efforts. American alligators, the Pacific gray whale, Arctic peregrine falcons, and brown pelicans no longer need the Act's protection and have been removed from the list of threatened and endangered species. The bald eagle, peregrine falcon, grizzly bear, eastern timber wolf, whooping crane, black-footed ferret, Columbian white-tailed deer, and greenback cutthroat trout have been recovered from the brink of extinction and are approaching recovery. California condors, gray wolves, and red wolves have been returned to the wild and are improving dramatically. Each of these species is important in its own right and critical to the survival of its own ecosystem. Collectively, their presence and their diversity enriches all our lives.

Despite these accomplishments, I am well aware of the controversy that surrounds this Act and of the honest desires of many to engage in a debate about whether the Act should be changed to address problems that have arisen since it was last authorized. But I believe our country needs to maintain its commitment to conserve imperiled species for the benefit of future generations as well as our own. Although our country has made considerable progress with endangered species conservation over the past twenty years, our task is not complete. To ensure that threatened and endangered species are protected and recovered, the Endangered Species Act needs to remain the strong, effective conservation tool that it has been since it became the law of the land.

S. 191 is the wrong approach

Mr. Chairman, I want to address myself to the subject of this morning's hearing, S. 191. This legislation would stop in their tracks the listing and the consultation processes under the Endangered Species Act. Unlike most moratoriums, which have a finite term, this legislation would bring the Act to a screeching halt until some indefinite time in the future when the Act itself may be reauthorized.

S. 191 is simply the wrong approach. It tries to apply a one-size-fits-all solution to complex issues. If Congress believes that the Act needs to be changed, then we should debate the problems

and the alternatives to solve those problems. We should not abdicate our responsibilities by largely repealing the Act or putting it on hold indefinitely. Even worse, putting the Act on hold creates rather than solves problems.

S. 191 would suspend all listings determinations until the Act is reauthorized. This means that no species could be listed, no matter how endangered it became and no matter how certain that the species might become extinct. Species don't stop declining when we stop listing. We would simply be putting off a problem that will grow by our inaction. A moratorium cannot be placed on endangerment.

In fact, species could easily become extinct during this unknown period of time. Certainly the condition of some, perhaps many, species will deteriorate, leaving us with the likelihood of species that might have been listed as threatened, for which a special rule could be developed to limit impact on landowners, but instead will have to be listed as endangered, precluding such a favorable option. This approach limits future options and makes the likelihood of recovery more uncertain and likely more expensive. This is hardly the direction we want to go and hardly the best result for either the species or those who will be impacted by the ultimate listing decision.

S. 191 would also make it impossible for the Department to carry out its responsibilities under the terms of two major settlement agreements agreed to by the Bush Administration. These agreements set judicially enforceable time frames for publishing proposed rules to list certain high-priority candidate species.

More importantly, the listing ban would exacerbate existing problems. We need only reflect on those two settlement agreements to demonstrate this. Part of the reason we are under court order to list about 100 species this year are the self-imposed listing slow-downs by the Department in 1981 and 1988.

The bill would also ban indefinitely the designation of critical habitat. Again, a ban will not keep critical habitat from being degraded or destroyed, further imperiling species. Furthermore, if the thinking behind the legislation is that we must slow down designations to more properly consider all factors, the Act already provides for the consideration of economic factors in designating critical habitat, and we are doing so.

We are also concerned about the risk that some landowners might take actions harmful to

species in anticipation of a listing that might follow. This would especially be true if the condition of many species actually deteriorated, as I have suggested, merely because of the ban.

Perhaps even worse than the ban on listings under section 4 of the Act is the proposal in S. 191 prohibiting indefinitely the consultation process under section 7 of the Act. This proposal would relieve Federal agencies of their responsibilities under the Act to conserve species, consult with wildlife agencies, and avoid jeopardizing the existence of listed species. This is particularly alarming because it would not only expose all threatened and endangered species to the risk of extinction, but would represent a substantial retreat from the progress we have made to date in the recovery of a large number of listed species. Also, federally authorized, funded, or undertaken activities that would incidentally take an endangered or threatened species would come to a halt because consultation is required to comply with section 9 of the Act. Therefore, the effect of a moratorium on section 7 activities would result in an indefinite delay in the issuance of Federal permits and licenses, the construction of new Federal projects, and a myriad of other Federal activities that are important to citizens throughout the country.

Proposals as sweeping as S. 191 seem to lead to unintended consequences. They tend to sweep up situations never contemplated by their advocates and potentially harm the very people they are designed to help. We must instead seek improvements to the Act with open, creative, and innovative minds.

A better approach

If S. 191 is the wrong approach, you have the right to ask me what is the right approach. First, I would emphasize again that we have already made dramatic improvements in the implementation of the Act. We have committed to making the Act more effective and more efficient without creating the controversy that has surrounded this important legislation since its inception. In the process, we have identified previously unexplored opportunities already contained in the Endangered Species Act and have used them to resolve issues that have seemed intractable in the past. At the same time, we have also examined approaches that have been used before to develop innovative solutions to endangered species recovery in cooperation with private citizens. While doing so, we have discovered that the Endangered Species Act provides a wide array of tools to resolve or avoid the apparent conflict between the needs of species threatened with extinction and the needs of our society. We have also discovered that examples of successful Federal and private cooperation to protect threatened and endangered species are far more abundant than most people probably would

associate with the Endangered Species Act.

But we agree that more needs to be done. We have developed ten principles to guide the Administration's effort for reforming and implementing the Endangered Species Act. These policies address some of the persistent criticisms associated with the way the Endangered Species Act is implemented and will continue my commitment to avoid the conflicts that have surrounded the Federal government's attempts to protect threatened and endangered species over the past several years. These policies will minimize the impact of the Act on private landowners, particularly small landowners and provide them with more certainty on how they can comply with the Endangered Species Act when a species is listed. These policies propose new partnerships with State, tribal, and local governments. These policies address concerns about the quality of the science that is used when implementing the Endangered Species Act. Finally, these policies will improve the process of recovering threatened and endangered species and will enlist the participation of a broader array of individuals to help develop these recovery plans.

They are as follows:

1. Base Endangered Species Act decisions on sound and objective science.
2. Minimize social and economic impacts.
3. Provide quick, responsive answers and certainty to landowners.
4. Treat landowners fairly and with consideration.
5. Create incentives for landowners to conserve species.
6. Make effective use of limited public and private resources by focusing on groups of species dependent on the same habitat.
7. Prevent species from becoming endangered or threatened.
8. Promptly recover and de-list threatened and endangered species.
9. Promote efficiency and consistency.

10. Provide state, tribal, and local governments with opportunities to play a greater role in carrying out the Endangered Species Act.

I'll briefly summarize our principles under several broad themes.

Minimize impacts on landowners

First, our principles identify administrative measures and legislative concepts to minimize impacts on landowners. We believe that the Act must be carried out in a manner that avoids unnecessary social and economic impacts upon private property and minimizes those impacts that cannot be avoided. One method is our policy directive that requires recovery planning to minimize these impacts and will involve stakeholders in developing and implementing recovery efforts to make sure that goal is achieved. Another is to address the concern of many, especially small landowners, regarding their uncertainty over the impact of listing on their activities, such as clearing vegetation or selling a small homesite. Our policy directs, at the time of listing, the identification of all known activities that are exempt from or that will not be affected by the Act's prohibitions against the take of a listed species. These policies will augment our "no surprises" policy whereby landowners who develop an approved habitat conservation plan will not be subject to later demands for larger land or financial commitment if the plan is adhered to -- even of the needs of a species covered by the plan increases over time.

The Congress could extend these proposals and provide even greater certainty to landowners who develop approved habitat conservation plans that protect non-listed as well as listed species. If they undertake actions under the plan which protect candidate species or habitat, the landowners would be able to engage in land-use activities even if the candidate species or some other species dependent on that habitat are subsequently listed. This would provide certainty for multi-species planning and would greatly aid landowners concerned that their good deeds could be undermined by a new listing.

Furthermore, we believe that the Act must be administered in a manner that assures fair and considerate treatment for those whose land is affected by its programs. One way is to assure that federal agencies fully meet their responsibilities for conserving species in order to reduce impacts to private lands. We believe that the section 7 moratorium in S. 191 would take us in the opposite direction.

We also will propose regulations that will allow land use activities by small landowners and landowners whose activities have only a negligible adverse effect on the likelihood of the survival or recovery of a threatened species. Specifically, we propose that activities on land occupied by a single household and being used solely for residential purposes, activities that affect five acres of land or less, or activities having a negligible effect would be allowed. The Department would issue a special rule to regulate activities if the cumulative adverse effect was significant.

The Congress could extend this flexibility to activities having negligible adverse effect on endangered species as well.

The Act currently provides opportunities for minimizing impacts on larger landowners as well. The Department has also published several special rules (called "4(d) rules" after the section that authorizes them), which allows development of private lands to proceed while protecting threatened species. This is a tool which demonstrates flexibility in the Act. A recent example is our proposed 4(d) rule for the States of Washington and California which will generally exempt landowners with less than 80 acres of forest land from the Act's prohibitions on incidental take of spotted owls.

Finally, with respect to all landowners, we are proposing the use of incentives to encourage them to protect and conserve species on their land. Many landowners are currently reluctant to manage their lands in ways that benefit listed species because they are concerned that any subsequent reduction in quality or quantity of any improved habitat would be subject to the "take" prohibitions of the Act. An excellent example of our efforts in this regard is the proposed habitat conservation plan for the Sandhills Area of North Carolina which we announced just last week. This unique proposal would provide landowners who volunteer to improve the habitat for the endangered red-cockaded woodpecker on their land with an ironclad guarantee that they will not be subject to the Act's prohibitions in the future if they succeed in attracting the bird to their land.

Enhance relationship with states, tribes and local governments

Mr. Chairman, the Federal government cannot implement the Endangered Species Act alone. In addition to private citizens, we will need the help and cooperation of the states, tribes, and local governments. That is why our package identifies ways in which the Congress could establish a new federal-state relationship to achieve the goal's of the Act. We believe that building new partnerships and strengthening existing ones with state, tribal, and local governments is essential to achieving the goals of the Endangered Species Act. While we have issued policy directives to enhance the

participation of state fish and wildlife agencies in implementation of the Act, for example, the Congress could provide the states with opportunities and incentives to retain jurisdiction over management of a threatened or endangered species in their jurisdiction. Specifically, if a state entered into a conservation agreement with federal agencies that would remove the threats to a species and promote its recovery in that state, the consequences of the listing of that species could be suspended in that state.

Congress could also provide states the opportunity to assume the lead for developing recovery plans and to assume responsibility for issuing permits under section 10 of the Act for areas within the state included in an approved recovery plan or for which there is an approved comprehensive, habitat-based state program.

Our package also directs that state expertise and information be used in the listing, consultation, recovery, and conservation planning processes. We recognize that states have substantial expertise concerning species within their jurisdiction and we have identified a process which Congress could establish to give special consideration to this state expertise.

Our package also points out that the Congress could stimulate more effective cooperation with state, local and tribal governments by providing the exemption in section 201 of S. 1 from the Federal Advisory Committee Act for cooperative actions between those governments and federal agencies in carrying out the Endangered Species Act through the .

Base Decisions on Sound and Objective Science

Much has been said about the quality of decisions made under the Act and whether they have always been objective or based on the best scientific information. Our program will toughen the standards for listing; require scientific peer review for both listing and recovery; and enhance the state role in listing and critical habitat decisions.

I also hasten to add that the listing problem is overstated. Our review of actions on listing petitions revealed that for 1990-1994, the Fish and Wildlife Service rejected 68 percent of the petitions either at the 90-day or 12-month stage in the process. We believe that this demonstrates the care with which we are examining petitions to list. Moreover, we are increasingly looking for other ways to provide the necessary protection for a declining species and their habitat to foreclose the need for listing. A recent example of this is the Alexander Archipelago wolf, a species that occurs

almost exclusively in Alaska on Federal land. We were able to make a not-warranted finding based largely on commitments by the Forest Service to provide for the conservation of the species in the management of their lands.

Improve Recovery of Species

Finally, our package addresses the goal of the Act to bring species back to the point at which they will no longer require the Act's protection. We propose that all stakeholders be provided the opportunity to participate in the development and implementation of the recovery plan. Additionally, recovery could be enhanced by Congress requiring that designations of critical habitat occur concurrently with recovery plan approval, rather than at the time of listing. This would assure that only one decision on measures needed for recovery, not two, would be required and that affected parties would be involved in the decision. This would be made even more meaningful if the appropriate State and Federal agencies were required to develop agreements to implement recovery plans and those agreements were legally binding and incorporated into the recovery plan.

Conclusion

This is a brief summary of the major points in our 10-point plan. We are committed -- and have demonstrated our commitment -- to making the Endangered species Act work better for species and for landowners. We stand ready and willing to work with the Committee to address problems with the Act. Although a moratorium may seem like a quick, easy fix, it is not a substitute for addressing the real problems. Furthermore, we believe that it will actually worsen those problems.

Mr. Chairman, we have demonstrated with our 10-point plan a willingness to step to the plate and get to work. We look forward to assisting the Committee in its reauthorization efforts and again, I thank you for the opportunity to be here this morning.

STATEMENT OF BRUCE BABBITT
SECRETARY OF THE INTERIOR
BEFORE THE SENATE COMMITTEE ON INDIAN AFFAIRS

March 8, 1995

I am delighted to be here today to testify about an issue of great importance not only to the Interior Department, but to the Congress and American Indian tribes as well. We call it the Bureau of Indian Affairs re-organization effort, but what we are really talking about is the modernization of the way this government carries out its special legal responsibilities and delivers services to American Indian Tribes consistent with the government to government relationship that exists between the United States and tribal governments.

That the Bureau of Indian Affairs needs re-organization is something about which there is virtually universal consensus. All of us, including the Congress, the tribes and the Department, have invested a hefty amount of time and effort over the past twenty years examining the BIA and its processes and structure. Every report, study, and recommendation calls for a lessening in the role of the BIA in the day-to-day affairs of tribal governments, and the assumption of greater degrees of decision-making authority over the management of tribal resources by the tribes.

Yet, we cannot and must not lose sight of the fundamental fact that the United States has a unique obligation to American Indian and Native Alaska tribes. This obligation, the federal Indian trust responsibility is fundamental to the Federal-Indian relationship, and, as such, the United States has a special, legally enforceable duty to ensure that its obligations are carried out.

Past efforts to reduce the federal presence in Indian Affairs failed because little or no attention was given to the need to maintain the special trust relationship. In the 1950's, such a reform effort resulted in termination policies, which so devastated tribal communities that the Senate expressly condemned the termination policy in a special concurrent resolution enacted on June 28, 1973. Termination was a social, political, and economic disaster of such magnitude that even today the tribes are wary of BIA reorganization efforts and demand, rightfully so, the right to participate in any reorganization plan to ensure protection and preservation of their special political and legal status.

This Federal-Indian relationship is firmly rooted in the law of this great nation. The Constitution of the United States carves out the special relationship between the Federal government and the tribes, and all subsequent Supreme Court doctrine affirms the special legal and political status of Indian tribes. Accordingly, any steps we take to reform and modernize the Bureau of Indian Affairs must include mechanisms which enable the Department to fulfill its trust responsibilities as set out in treaties, legislation, executive orders, and legal opinions.

Having set out the framework for the task before us, I turn now to the Bureau, and how we envision its reform. It goes without saying, that in addition to preserving the ability to carry out the federal trust responsibility, we must maintain the capability to carry out certain core functions as required by treaty and statute. We must also recognize that tribal needs vary, and some tribes may be in a better position to assume BIA operations than others, and that appropriate timeframes for these tribes may vary.

As you know, we are now in the last critical phase of this Administration's initiative to reinvent government. The Department of the Interior has been a leader in this effort and the Bureau of Indian Affairs, like other bureaus in the Department, has been directed to develop a streamlining plan. This effort has been directed by the guiding principles and recommendations of the Joint Tribal/BIA/DOI Task Force on Reorganization of the BIA.

The Task Force, in full partnership with the Tribes, held 22 meetings over the past four years to develop final recommendations for reorganizing the Bureau. Although the Task Force began its work before the Reinvention Initiative, many of its recommendations were consistent with those developed in the National Performance Review.

The Task Force completed its work in August, 1994, and issued a final report in January, 1995. There were a total of 44 recommendations made by the Task Force. All but two are in keeping with the objectives of the National Performance Review and will provide guidance in refitting the BIA to meet the needs of the Tribes.

Subsequent to this, the BIA also developed options for fulfilling the mandates of the National Performance Review. As part of the development of these options, both the Assistant Secretary and I consulted with tribes throughout the twelve Bureau Areas during the month of January 1995. During these meetings, the streamlining proposals were explained and provided to the Tribes for comment. In December and January, I personally met with tribes in the Phoenix, Oklahoma, and Sacramento Areas and I heard first hand the tribes' comments on the Bureau's streamlining proposals. In all of these meetings, tribal leaders expressed their

support for the continuing existence of the Bureau of Indian Affairs. However, they are at the same time interested in seeing the Bureau become an organization that is more responsive to tribal needs and more capable of fulfilling its special fiduciary responsibilities to the tribes.

After examining the alternatives, we strongly believe that the ultimate mechanisms for restructuring and streamlining the Bureau can be found in the self-determination and self governance processes. The opportunity to accelerate this effort was presented by Congress in Pub. L. 103-413, the law making permanent the self governance project. The Bureau will utilize existing processes to expand the scope of contracts and compacts to include program oversight activities currently held at either Area or Headquarters level. Using the Central Office tribal share formula developed and mandated by the Self-Governance law, tribal shares will be determined for both self-governance tribes and tribes currently contracting under the authority of Pub. L. 93-638. These share would then be transferred to individual tribal priority allocation accounts at the tribe-agency level. As more tribes assume the management of programs and services to their members through self governance compacts and self determination contracts, Bureau staffing will be reduced to a level that will allow the Bureau to meet only those functions that have not been compacted or contracted to the Tribes.

Under the self-determination and self-governance policies, I believe that the Bureau's mission is to support tribal governments. Tribal concerns are best addressed at the tribal level. The Bureau, on the other hand should be focused on carrying out those functions which are appropriate to fulfilling its legal responsibilities to tribes as defined by treaty, statute, executive order, or in case

law consonant with the government-to-government relationship and guided by the policies of self-determination and self-governance.

I appreciate the concern of the tribes that the savings resulting from reductions in Bureau FTEs and administrative streamlining must be available to tribes so that greater opportunities for self-determination and self-governance are realized.

Beyond FY 1997 through FY 1999, the Bureau will continue its internal examination to determine where further consolidations and streamlining should occur to continue improvement of the Bureau's efficiency.

In summary, I urge you to support the restructuring efforts now underway. I also urge you to support the tribes' recommendation that all savings from this effort will be redistributed to the tribes for reinvestment in Indian Country.

I pledge to you our commitment to work with this Committee, the Congress, and Indian tribes to reorganize the Bureau to be more responsive to the needs of tribal communities.

This concludes my prepared statement. I will be happy to respond to any questions that the Committee might have.

FINAL COPY

TESTIMONY OF THE SECRETARY OF THE INTERIOR BRUCE BABBITT

Before the
Subcommittee on Oversight and Investigation
Committee on Energy and Natural Resources
United States Senate

The Honorable Craig Thomas, Chairman

Concerning Federal Land Ownership
by Public Land Management Agencies

February 6, 1996

MR. CHAIRMAN AND MEMBERS OF THE SUBCOMMITTEE:

I welcome the opportunity to be here today to talk about the rich federal land legacy of each and every American: our national parks, our national forests, our wildlife refuges, and our BLM public lands. They extend from the mountains of Yosemite to the Statue of Liberty, from the great plains of the West to the national seashores of the Gulf and Atlantic coasts. They are the heart of America, and they are the envy of the world.

Our country was founded by individuals seeking freedom and equality, and our natural heritage serves as a reminder of these same values. They are the province not of the privileged few, but of each and every American. They are open to all. Forever.

Our national commitment to parks, refuges and public lands has always transcended ideology or partisan politics. The President and the Congress, Democrats and Republicans, Westerners and Easterners have united to create this heritage. It was a

Republican, Teddy Roosevelt, who wrote, "To waste, to destroy our natural resources, to skin and exhaust the land instead of using it so as to increase its usefulness, will result in undermining in the days of our children the very prosperity which we ought by right to hand down to them amplified and developed."

The first national parks, refuges and forests were created in the nineteenth century by Americans of vision. The National Park Service is still guided by the principles of its 1916 organic act, which decreed that the park system was to be "dedicated to conserving unimpaired ... natural and cultural resources and values ... for the enjoyment, education, and inspiration of this and future generations."

Similarly, the National Forests are still managed according to Gifford Pinchot's maxim, "the greatest good for the greatest number in the long run." Concerned about the decline of American wildlife species, Teddy Roosevelt established the first National Wildlife Refuge in 1903.

In the modern era, the retention and management of these lands is guided by a desire to protect lands of national interest for their conservation, recreation, and taxpayer asset values. Bipartisan support for conserving our natural heritage has continued to prevail throughout this century, as President Clinton noted in his State of the Union message last month.

Twenty years ago, President Ford signed into law the Federal Land Policy and Management Act (FLPMA), a commitment to the American people that our public lands would in general be retained by the American people and managed in perpetuity for future generations. FLPMA was an example of bipartisanship at its best--with substantial support from both sides of the aisle, including from Western Members of Congress.

I am concerned, Mr. Chairman, that this century-long era of bipartisan support for our national lands is suddenly in jeopardy. Today in Congress we see an array of measures that seek to strip the American people of their rich heritage. There are proposals to close national parks, to sell public ski resorts, to destroy the pristine environment of the Arctic National Wildlife Refuge.

Other measures, including sham reform of mining law and concessions policy, would continue to deny the taxpayer millions of dollars in revenue. These proposals are not being advanced because the American people want to divest their natural heritage -- indeed, legislation has stalled because citizens have protested.

What we are seeing in Congress today is a grave threat to America's bipartisan consensus. It is being replaced instead by dangerous ideology, driven by narrow special interests, which

could result in our national heritage being placed on the auction block for sale to the highest bidder, or even simply given away. This Administration is committed to fighting for America's lands, to ensure that they remain for the benefit of all, and that they do not become private playgrounds for the richest among us.

Last year, I told many audiences that I did not come to Washington to close our National Parks. Neither did I come to Washington to allow "No Trespassing" signs to be posted on our public lands. This Administration will not stand by and watch our heritage squandered for the short-term benefit of a few special interests. We intend to look out for the public interest, not the special interests. We will fight to keep public lands in public hands, for all Americans, present and future.

Let me turn now to the report of the General Accounting Office. I guess that the simplest way of summing up their findings is to say that Americans own a great deal of land. Like most Americans, I'm proud of that. My friend and colleague, Jack Ward Thomas, asked the question recently, "Can we afford to own public lands?" He answered it, "Can we afford not to? For over a hundred years, during good economic times and bad, public lands have been the haven for the common man and a firm basis for local and regional economic growth and diversity. Public resources have supported America in peace and in war. Public resources

have helped build a nation with inexpensive recreation, wood, energy, and water. They have been the basis for environmental health yielding clean air and water for generations." I couldn't have said it better myself.

The great American West, and the public lands it contains, are a bequest to us, a gift from our those who preceded us. As Wallace Stegner wrote in 1992,

"The federal presence should be recognized as what it at least partly is: a reaction against our former profligacy and wastefulness, an effort at adaptation and stewardship in the interest of the environment and the future...the land-managing bureaus all have at least part of their purpose the preservation of the West in a relatively natural, healthy, and sustainable condition...

"[The land bureaus] provide and protect the visible, available, unfenced space that surrounds almost all western cities and towns--surrounds them as water surrounds fish, and is their living element."

Our public lands, the forests, parks, and refuges are places of commercial activity, places of recreation and places of wilderness. As we travel through the West today we see an increasingly diverse economy. In Wyoming, for example, there are rich reserves of coal, gas and oil, blue ribbon trout fishing and world class hunting. This wealth of activity is repeated

poll, no matter how the questions are asked, we hear the same answers--Americans care about their natural resource heritage. The American people have been steadfast in their commitment--it is the special interests that seek to overturn that consensus.

The responsibility of this generation, as of every generation, is to improve our natural heritage. We will not accomplish this through closing the parks or disposing of refuges and public lands.

The fact that I am here today to defend America's public lands does not mean that I believe every acre must be frozen in place. We can bring together thoughtful men and women to reconfigure the federal land estate and work out common sense solutions for the future. Over time, land ownership patterns have developed in some areas that make little sense.

Let me tell you about my own experience in Arizona, where we brought everyone to the table--federal, state, local and private landholders--to improve the land pattern. First, we outlined our goals. We agreed that the state should concentrate its landholdings in more urban areas, while the BLM should focus on holding rural land with significant conservation values. We also agreed to reconfigure scattered holdings that were difficult to manage, and to try to eliminate inholdings. We worked toward our common goals. In dozens of transactions over several years the

state was given about 790,000 acres of surface land, and 322,000 acres of subsurface; private interests received some 800,000 acres of surface and 288,000 acres of subsurface; and the federal government about 1.59 million acres of surface and about 610,000 acres of subsurface. Our trades were secured through bipartisan agreements--this is the approach needed to reconfigure public lands.

All this was done piece by piece. And it took place throughout the state. There wasn't a lot of fanfare. We did it by working cooperatively. It was motivated not by ideology or special interest, but by common sense. Let me tell you about just one of our success stories, the San Pedro Riparian National Conservation Area, which attracts visitors from all over the world. By trading public land of high commercial value in the Phoenix metropolitan area for private land on the San Pedro River, BLM is meeting public conservation needs while helping provide local economic benefits.

Let me give you another example of how legislation can help bring about reconfiguration for the public good. In 1980, Congress approved the Burton-Santini Act, which gave the Department of the Interior the authority to sell land in the Las Vegas Valley and use the revenue to purchase land in Lake Tahoe National Forest. Under Burton-Santini, everyone has benefited. The federal government has shared the receipts with Clark County, the City of

Las Vegas and the State of Nevada. In return, more of the magnificent Lake Tahoe area is protected from the bulldozer, and is open for the enjoyment of everyone.

The Department of the Interior sets a high priority on working out land exchanges that result in common sense land management. These exchanges are rarely of equal acreage--higher values are at stake. The success of our mutual efforts cannot be measured by simply counting the net change in federally owned acres. To assist local economic development, the federal government may exchange small parcels of urban land for larger, rural holdings. The old adage about the three laws of real estate--"location, location, location" is absolutely true.

As you may know, I have spent much of the past year meeting Americans in their own backyards and talking about the successes born of our nation's environmental laws. And so I was not surprised to read in *Money Magazine* recently that when Americans were asked what they thought was important about where they lived, they replied that clean water and clean air were numbers one and two. Not far behind was proximity to lakes, oceans, and public lands.

The American public believes in its public lands. In fact, acquisition of additional private lands into public ownership for conservation and recreation purposes remains highly popular. For

evidence of this support we need look no further than to the highly successful Land and Water Conservation Fund. The basic intent of LWCF is to devote revenue from one public resource, oil & gas leasing on the Outer Continental Shelf, to the perpetuation of another public resource, outdoor recreation lands at the federal, state, and local levels.

As I'm sure you will hear from the GAO, these acquisitions haven't come from the general budgets of our agencies, or at the behest of the executive branch. For example, approximately 94% of the \$900 million spent since 1966 to acquire National Wildlife Refuge lands has been specifically provided by Congress through line-item appropriations.

Each year, I receive a list from Congress identifying and requesting lands that Representatives and Senators want the Department to acquire. I welcome this list, because it shows that you in the Senate and your colleagues in the House recognize that Americans care. They care about where they live, and they care about their environment. The largest percentage of these funds have been spent in the non-public land states, especially east of the Mississippi and on the West coast, where the population is highest, and the amount of pre-existing public open space is lowest.

Support for the public lands and the values they represent continues to be reaffirmed time and again, from a century ago to today. A few days ago, I happened to see an article in the Anchorage Daily News that caught my eye and perhaps best sums up what we've been talking about. Bob Barbee, a longtime Interior Department field manager, whom you may remember from his days as Superintendent at Yellowstone, was writing about the importance and national value of parks and the public lands as a "system of places connecting us personally, and as a species, to nature and our history." He went on to say that this system is:

"the envy of the world, copied by nations rich and poor. A proposal to dismantle that system dishonors our predecessors across the political spectrum who built it and vandalizes the common heritage we leave our offspring. It's a vote against posterity, for those who stand to be most enriched, are too young to vote, or have yet to be born."

**TESTIMONY OF BRUCE BABBITT, SECRETARY OF THE INTERIOR, BEFORE
THE SUBCOMMITTEE ON FISHERIES CONSERVATION, WILDLIFE AND
OCEANS, HOUSE COMMITTEE ON RESOURCES, REGARDING H.R. 511,
NATIONAL WILDLIFE REFUGE SYSTEM IMPROVEMENT ACT, AND H.R. 512,
NEW NATIONAL WILDLIFE REFUGE AUTHORIZATION ACT**

March 6, 1996

Mr. Chairman, I appreciate the opportunity to appear before this Subcommittee to testify on H.R. 511 and H.R. 512. Let me state at the outset, in a spirit of frankness and candor, that I am strongly opposed to both of these bills and would be compelled to recommend that the President veto either one if enacted in its present form. Let me also say that I spoke with Congressman Dingell yesterday and promised him that in his absence I would explain my objections carefully, in hopes that we may eventually be able to work out our differences and produce legislation that would strengthen and improve our wildlife refuge system.

The National Wildlife Refuge System is the world's greatest system of lands dedicated to the conservation of fish and wildlife. It is a system founded in faith; a belief that, in a country as bountiful and diverse as ours, there ought to be special places that are set aside exclusively for the conservation of this nation's fish and wildlife resources. These special places are National Wildlife Refuges. Unlike other areas where wildlife is shunted aside by the relentless forces of the bulldozer, chain saw and plow, the conservation of wild creatures, large and small, reigns supreme in wildlife refuges. In wildlife refuges, the conservation needs of wildlife are paramount.

The central, overarching purpose of the National Wildlife Refuge System is, and should be, the conservation of fish, wildlife and their habitat. If we do that job well, then there will be ample opportunity for compatible recreational uses which depend on diverse and abundant wildlife. Wildlife conservation is our purpose. Compatible recreational uses are benefits that flow from this purpose.

This distinction is where H.R. 511 and I part company. The bill scrambles the crucial distinction between "purpose" and "use" that has been at the heart of the refuge philosophy ever since Theodore Roosevelt created our first refuge at Pelican Island. It does so by mixing hunting and fishing, wildlife observation and environmental education as "purposes", rather than "uses", of the refuge system. Section 4(a)(3) effectively elevates recreational uses to mandatory parity with the traditional conservation purpose of the refuge system.

The bill, as I read it, would give the groups mentioned in section 4(a)(3) the right to sue each other for materially affecting their ability to use a refuge. In other words, under this bill, a bird watcher could sue a duck hunter under section 6, claiming that the hunter is "materially interfering" with his right which is protected as a "purpose" of the refuge under section 3. Similarly, the duck hunter could sue to stop school children from participating in environmental

education programs or bird watchers from observing migratory birds on the refuge. The combinations are nearly as numerous as the lawyers looking for work.

I am quite certain that this result was not intended by either the drafters or the sponsors of this bill. Nonetheless, it illustrates a fundamental defect of this bill - by attempting to deprive managers of sound discretion and to create a detailed system of statutory micro management, it will bring lawyers and judges ever more deeply into the management of our refuge system.

I should also note section 6, which provides that "when managed in accordance with principles of sound fish and wildlife management," hunting, along with fishing, wildlife observation, and environmental education, in a refuge is generally a compatible use. When taken with the definition of "management" in section 3, this section could amount to a statutory presumption that all wildlife refuges shall be open to hunting.

Undoubtedly, some will cast H.R. 511 as a litmus test of support for fishing and hunting. But let me say to you clearly, this debate is not about fishing or hunting on wildlife refuges. It is about two contrasting philosophies of how to manage wildlife refuges, and in that respect I must remain true to the tradition of Theodore Roosevelt and the sportsmen and women who have helped to build this system. If you were to suggest to me that birdwatching should be a statutory purpose of the National Wildlife Refuge System, I would say "no". Wildlife photography? "No". Conservation Education? "No".

Not because I am opposed to any of these uses. To the contrary, I enthusiastically support them all, including hunting and fishing. But I believe that the statutory purpose of the refuge system is, and must remain, singular: the conservation of fish, wildlife and their habitat.

Incidentally, this is not a new debate. In 1968, a Departmental advisory committee on wildlife management -- known as the "Leopold Committee" after its chairman, Dr. A. Starker Leopold -- addressed this same issue. Their conclusion rings just as true today:

"We concur ... that recreation on the refuges should in all cases be secondary to the primary purpose of management for wildlife enhancement, and under no circumstances should general recreation be permitted to interfere with this primary dedication."

The advice of the Leopold Committee has been followed ever since with spectacular results. As a result, wildlife dependent recreation, like hunting, birdwatching and fishing, flourishes in our refuges today. Among our 509 refuges, 283 allow hunting and 276 allow fishing. More refuge lands and waters are being opened to these uses each year. In 1996, the list of refuges open to recreational fishing grew by 12 and new hunting programs were begun on 9 refuges, and since I became Secretary of the Interior 24 new refuge hunting programs have been initiated.

Also in the past year, the Fish and Wildlife Service has begun new refuge partnerships with groups as diverse as the National Audubon Society, Safari Club International, and the North

American Nature Photography Association. These agreements will directly support management activities, increase volunteerism, and of course, promote compatible recreational use. The Service has embarked on an ambitious "Friends Initiative" in cooperation with the National Wildlife Refuge Association. This effort will provide a framework for interested private citizens to get involved and become an active participant in refuge management.

President Clinton's 1998 budget provides resources for the Service to develop comprehensive management plans for all of our refuges within the next 8 years. This effort will involve unprecedented numbers of Americans in the management of our refuge lands.

Mr. Chairman, we have worked hard to eliminate unnecessary impediments to allowing compatible wildlife-dependent recreation within refuges. For example, we have addressed an issue which you had raised to our attention in a prior hearing. Previously, when new areas were added to the refuge system, they were often closed to public use for long periods of time while the Fish and Wildlife Service completed planning for the area. Following up on Mollie Beattie's commitment to you two years ago, we have published a new policy requiring preacquisition consideration of existing recreational uses. Through this policy, the Fish and Wildlife Service will make interim determinations of compatibility for ongoing recreational uses prior to an area being acquired for the Refuge System. This will avoid the immediate closure of refuge areas upon acquisition and will inform the public, prior to acquisition, as to which wildlife-dependent recreational uses will be allowed to continue on newly acquired lands. As in other areas, a "no surprises" policy makes for good sense and good neighbors.

I could talk about many other positive things happening within the Refuge System: new and enhanced partnerships; a renewed commitment to strengthening the system's biological management; the continued elimination of incompatible uses; and on and on.

Mr. Chairman, these good things did not just happen. On March 25, 1996, President Clinton signed Executive Order 12996 on "Management and General Public Use of the National Wildlife Refuge System". This Executive Order, the first one ever issued regarding the management of the Refuge System, establishes a clear and singular mission for the refuge system: "to preserve a national network of lands and waters for the conservation and management of the fish, wildlife, and plant resources of the United States for the benefit of present and future generations." To carry out this mission and principles, the Executive Order requires us to implement ten directives.

One of these directives is particularly relevant to today's discussion. In the area of public use, the Executive Order identifies four specific classes of wildlife-dependent uses as "priority public uses" for the refuge system: hunting; fishing; wildlife observation and photography; and environmental education and interpretation. Where compatible and in the public interest, refuge managers are to provide increased opportunities for these uses and enhance the attention they receive in refuge management and planning. Let me compare this conceptual approach with the approach taken in H.R. 511.

The Executive Order maintains the crucial distinction between wildlife conservation as refuge purpose and compatible wildlife-dependent recreation as a priority public use. It articulates a singular and clear mission for the system -- conservation. But it recognizes that the use of our refuge lands and waters, to the extent that such use can be allowed, shall be reserved first to those recreational activities which depend and thrive on abundant populations of fish and wildlife. The obligation of the refuge manager is thus made clear; wildlife conservation is foremost. Where recreational activity is appropriate, let compatible wildlife-dependent recreation, including hunting and fishing, come first. My earlier comments illustrate how this concept is working at the ground level, and I am submitting with this testimony a report summarizing progress over the first year of the Executive Order's implementation.

Finally, I want to address a question raised last year about previously authorized military activities occurring refuge lands. During the past four years, we have worked closely with the Department of Defense to address issues of mutual concern based on the recognition that we must accomplish our collective goals of continued stewardship of our nation's public lands, as well as a trained and ready military. This recognition was memorialized in section 3(f) of Executive Order 12996 which directed the Secretary to "continue, consistent with existing laws and interagency agreements, authorized or permitted uses of the refuge system that are necessary to facilitate military preparedness." This statement, along with our expanded collaborative stewardship partnership and other existing authorities, is satisfactory to both Departments and we agree that no additional legislative action on this issue is necessary.

Mr. Chairman, the Administration is preparing detailed comments and recommendations on H.R. 511. This legislative report will be forwarded to your subcommittee by the end of this month.

Now let me turn momentarily to H.R. 512, which would prohibit the use of Land and Water Conservation Fund funds to establish new refuges unless Congress passes a specific law authorizing that refuge. Currently, of course, Congress approves all acquisitions funded through the Land and Water Conservation Fund through the annual appropriations process. Therefore, this bill accomplishes nothing other than adding an additional layer of Congressional approval and slowing the process of acquiring new wildlife refuges. H.R. 512 will simply make the Land and Water Conservation Fund more difficult to use for the timely acquisition of much needed refuge lands.

In summary, H.R. 511 would upset and weaken the long standing functioning of the National Wildlife Refuge System. Similarly, H.R. 512 makes changes which would impair establishment of new refuges. It is difficult to see how these bills will strengthen the refuge system or make the herculean task of refuge management easier for our managers and therefore, it is for these reasons that the Administration strongly opposes these bills.

I look forward to discussing these matters further with you, and to working with the Committee to advance the cause of refuge conservation.

ATTACHMENT

**A PROGRESS REPORT
ON IMPLEMENTATION OF
EXECUTIVE ORDER 12996**

EXECUTIVE ORDER 12996 - A PROGRESS REPORT

March 1, 1997

Executive Order 12996, on "Management and General Public Use of the National Wildlife Refuge System," was signed by President Clinton on March 25, 1996. This Executive Order defines the mission of the Refuge System "to preserve a national network of lands and waters for the conservation and management of the fish, wildlife, and plant resources of the United States for the benefit of present and future generations." The Executive Order identifies four guiding principles and outlines several directives to promote land stewardship and compatible, wildlife-dependent recreation on refuges. As such, the Executive Order provides a firm and explicit foundation for effective action, enhanced partnerships and expanded public involvement in support of the Refuge System. The following summary reflects progress over the first year of EO implementation.

* On May 17, nearly 60 people, representing 34 organizations, attended a workshop in Vienna, Virginia, to develop consensus on action items to implement the EO. There was overwhelming support at this workshop to embark on a collaborative approach to enhance the biological integrity of the Refuge System and promote compatible, wildlife dependent uses.

* The Service initiated a detailed needs assessment to evaluate and make recommendations to strengthen the Refuge System's biological program. As of this writing, a draft report of this analysis is undergoing internal review.

* A survey of refuges conducted in September 1996 identified more than 485 new or enhanced partnerships with other agencies and non-governmental organizations. Activities covered by these partnerships included habitat protection/management, environmental education, hunting, fishing, interpretation, photography and wildlife observation. Total projected cost of these projects was \$55 million, with a Service-funded share of about \$13.5 million. Contributed, non-Service staff time for these projects was anticipated to exceed 200 FTEs.

* National memoranda of understanding were signed with the National Audubon Society and Safari Club International. The Audubon partnership involves a multi-year initiative, leading up to the 100th Anniversary of the Refuge System, that will promote public support and awareness. Local Audubon chapters will work with individual refuges to expand volunteerism and collaborate on projects to enhance habitat, monitor bird populations and promote wildlife observation opportunities. The SCI partnership agreement, signed in January 1997, will promote wetland and riparian restoration, education, biological research and related activities on refuges. SCI has nearly 150 local chapters that will work with individual refuges on these projects. At this writing, a partnership agreement is being developed between the Service and the North American Nature Photography Association to promote collaboration on both national and refuge-specific projects, such as publications, interpretive exhibits, photographic workshops, youth programs, photo contests and media outreach.

* The Service embarked on an ambitious "Friends Initiative" in cooperation with the National Wildlife Refuge Association during 1996, to provide a framework for interested private citizens to work in collaboration with their local refuges. This Initiative was kicked off with a national training workshop and will expand in 1997 with development of a mentoring program and a workbook for establishing new Friends groups.

* Policy and procedures for **preacquisition consideration of refuge uses**, consistent with direction in the Executive Order, were issued by the Director in May 1996. The intent of this new policy is to inform the public prior to acquisition which wildlife-dependent recreational activities will be allowed to continue on newly acquired lands.

* The second **National Wildlife Refuge Week** was celebrated in early October 1996, with events held on nearly 200 refuges nationwide. Several hundred thousand people, including many first time visitors, participated in a diverse array of activities during the week, enhancing their familiarity with the System and its role in the conservation of fish and wildlife.

* The list of refuges open to **recreational fishing** grew in 1996 from 271 to 283. Nine new **hunting** programs were initiated as well, bringing the total number of refuges open to hunting to 285. The Service also began a project to overhaul and simplify the regulation setting process for permitted public uses. A proposed rulemaking to implement the improved process will be published in the Federal Register for public comment during summer, 1997.

* In 1996, the Service provided states with the opportunity to establish a special **youth waterfowl hunting day** for the 1996-1997 season. Forty states participated in the special youth hunting day and many refuges figured prominently in the program.

* The Service implemented a **comprehensive accomplishment reporting** process for the Refuge System during 1996. Accomplishment data will provide a foundation for sound policy development and ensure that the System is responsive to its diverse constituency.

* The Service has embarked on an accelerated program of **comprehensive management planning** on refuges Systemwide. This initiative will emphasize opportunities for active public participation and result in the development of well-defined objectives for natural resource management and public use.

* The Service has begun to implement a **Refuge Recreation Demonstration Fee Program**, based upon direction in the Omnibus Consolidated Rescissions and Appropriations Act of 1996. Under this program, participating refuges will receive from 80%-100% of the entrance and user fees collected to improve visitor programs and facilities. Forty-two sites were identified for the Demonstration Program and additional sites are likely to come on board in 1997.

* To help refuges provide quality services and facilities for public recreation and education, a **customer service evaluation card** was developed and pilot tested. Based on the results of the test, the card was modified and printed for wider distribution and use beginning spring, 1997.

* The Service implemented two **long distance environmental learning** projects in 1996, in collaboration with industry partners. "Electronic field trips" by satellite were hosted at Bosque del Apache and Merritt Island refuges.

* In 1966, the Service initiated the first phase of a multi-year study to examine the economic impact of refuges. A draft report of the first phase, now in printing, examines the direct and indirect benefits of refuge visitation on local economies. Subsequent phases of this study will explore the economic impacts of refuge expenditures and the effects of refuge establishment on the value of adjacent lands..