



**Statement of the
 American Thoracic Society
 Presented by Anthony Szema MD
 before the U.S. House of Representatives Committee on Appropriations,
 Subcommittee on Interior, Environment, and Related Agencies
 Fiscal Year 2012
 U.S. Environmental Protection Agency
 April 15, 2011**

Summary: Funding Recommendations (Dollars in Millions)

U.S. Environmental Protection Agency	
Taking Action on Climate Change and Improving Air Quality	\$1,103.9
• Federal Stationary Source Regulation	\$34.1
• Federal Support of Air Quality Management	\$141.4
• Clean Air Allowance Trading Program	\$30.6
• Federal Vehicle and Fuels Standards	\$100.6
• Climate Protection Program	\$127.8
• State and Local Air Quality Management (STAG)	\$305.5
○ Air Monitoring	\$15.0
• Diesel Emission Reductions	\$50.0
Human Health Risk Assessment	\$45.7
Reducing Risks from Indoor Air	\$20.8
Indoor Air: Radon Program	\$5.8
Research: Air, Climate and Energy	\$108.0

I am Dr. Anthony Szema, an assistant professor of medicine and surgery at the State University of New York at Stony Brook School of Medicine. My board certifications are in: pulmonary diseases, critical care medicine, internal medicine, and clinical adult and pediatric allergy and immunology. Today I am speaking on behalf of the American Thoracic Society (ATS), an independently incorporated, international education and scientific society, which focuses on respiratory, critical care and sleep medicine. The American Thoracic Society's 14,000 members help to prevent and fight respiratory disease around the globe through research, education, patient care and advocacy initiatives. Founded in 1905, the American Thoracic Society's long-range goal is to decrease morbidity and mortality—death—from respiratory diseases, life-threatening acute illnesses, and sleep-related breathing disorders. As such, we have a keen interest in the impact that the Environmental Protection Agency's regulatory and enforcement actions have on public health.

All lung diseases are impacted by air pollution. How well or poorly our lungs perform is contingent on the quality of the air around us, making the impact of air pollution inescapable. Air pollution remains a primary contributor to the prevalence of respiratory diseases in the United States--and worldwide.

For over 100 years, the American Thoracic Society has conducted scientific, public health, and educational programs to fight air pollution and improve the quality of the air

that we breathe. We remain strong supporters of the Clean Air Act and its amendments. We can attest to the significant impact that the Clean Air Act has had in improving the quality of our nation's air.

Efforts to combat air pollution have had an impact on both public health and health expenditures in the United States. The EPA recently released a report noting that the Clean Air Act yields \$30 in savings for everyone \$1 spent to control air pollution. In 2010, the Clean Air Act prevented: 160,000 premature deaths; 1.7 million asthma attacks; 86,000 emergency room visits; and 130,000 heart attacks. This EPA report builds on a similar cost-benefit analysis done by the Office of Management and Budget during President George W. Bush's Administration, which calculated that the Clean Air Act's provisions benefited public health and the U.S. economy.

While the economic story of the Clean Air Act is impressive, it is the human story which matters most. For every heart attack prevented, and for every asthma attack averted, this not simply means fewer economic demands on our nation's healthcare system, but it also means—most importantly—that somebody's loved one is alive, healthy, and still a productive part of our country.

While the Clean Air Act has made great strides, much remains to be done. It is estimated that one in 10 Americans live in areas that consistently violate EPA standards for ozone and particulate matter pollution, while nearly one-third of Americans live in areas that have incurred periodic violations for short-term ozone. The health complications caused by air pollution exposure are responsible for the premature deaths of thousands of people each year.

Regarding EPA & Research Funding

Air pollution has an adverse impact on the health of all Americans. The good news is that, as a direct result of the Environmental Protection Agency's actions, America's air is cleaner today, than it was in previous years. Our scientific understanding of air pollution has advanced and now we more fully comprehend the pernicious effects of air pollution at even lower levels. In addition to higher death rates among people with cardiovascular and respiratory diseases, research has also shed light on more subtle health effects influenced by air pollution, such as: lower birth weight and loss of IQ points.

Continued research on the health effects of air pollution is essential for many reasons:

1. it helps parents understand how air pollution may impact children with asthma;
2. it is essential for clinicians trying to manage patients with chronic respiratory diseases; and
3. it is essential to help guide EPA staff and the EPA Administrator to set the National Ambient Air Quality Standards (NAAQS) at the appropriate level to protect public health.

In order to sustain these critical research efforts, the American Thoracic Society recommends an increase in funds for the EPA Office of Research and Development to support research-related programs that focus on clean air.

1. EPA Standard Setting: Power Plant Air Toxic Rule

The EPA is in the process of setting a number of important public health standards under the auspices of the Clean Air Act. Most recently, the EPA released a proposed rule that will, for the first time, address toxic air pollution released from coal and oil fired power plants. The proposed rule will remove tons of toxic pollutants—including mercury, lead, nickel, dioxins and acid gases—from the air we breathe. All are known to have both immediate and long-term health effects, especially in children. Today, more than 60% of power plant operators have acted responsibly and installed pollution control equipment to reduce these toxic emissions. The proposed rule will require all power plants to install readily-available, modern pollution control technology by 2016. The American Thoracic Society strongly supports this proposed rule and urges Congress to allow the EPA to move forward with implementation and enforcement of the Power Plant Air Toxic Rule.

2. EPA Standard Setting: Ozone and Particulate Matter

The American Thoracic Society expects the Obama Administration to release two additional important public health standards that will address ozone and particulate matter pollution. Both these pollutants are regulated by the Clean Air Act and have a significant impact on our nation's health. Hundreds of studies have demonstrated that exposure to ozone and particulate matter air pollution is bad for your health. These pollutants cause: premature death, asthma attacks, Chronic Obstructive Pulmonary Disease (COPD) exacerbations, ischemic heart disease hospitalizations, emergency room visits and missed school and work days. There is conclusive research that demonstrates that the current EPA standards for ozone and particulate matter need to be tightened. We, at the American Thoracic Society, urge the subcommittee to recognize this important body of work and provide the EPA with the resources it needs to issue and enforce revised standards for ozone and particulate matter air pollution.

3. EPA & National Ambient Air Quality Standards (NAAQS) Monitoring

In addition to establishing standards for air pollution limits, the EPA is also charged with developing and maintaining a network of monitors which measure the level of pollution in our nation's air. Unfortunately, we know the current monitoring network is inadequate. There are not enough monitors to accurately gauge air pollution associated with highways and other areas that are congested with automobiles. This means that we are underestimating the air pollution to which we are exposed, and hence, under-appreciating the risk that air pollution poses to America's health. Fortunately, there are new technologies available—including satellite monitoring—which can greatly enhance the accuracy and comprehensiveness of the EPA's monitoring efforts. The American Thoracic Society strongly urges Congress to provide the EPA with the funding necessary to evaluate and revamp its current clean air pollution monitoring network.

4. EPA & Climate Change

The American Thoracic Society is disappointed in the direction that Congress is headed when it comes to issues related to climate change. Our children and grandchildren will "pay the price" for Congress's inability to address climate change.

Climate change will bring severe adverse human health effects. Research has demonstrated the spread of malaria to higher elevations due to rising temperatures. Studies have documented that higher concentrations of carbon dioxide or CO₂ gas from higher temperatures and a lengthened spring season will mean a more prolonged severe pollen season for patients with allergies, including allergic asthma. Higher

temperatures will also increase heat-related deaths in both major U.S. cities and rural areas.

The EPA has proposed reasonable policies that would begin to address climate change. If Congress attempts to remove, delay, or circumscribe the EPA's authority to address this significant public health issue, the American Thoracic Society would like to send a univocal, unambiguous message that obstructionism will only increase the problem, add to the toll on human health, and raise the economic cost associated with addressing climate change.

We, at the American Thoracic Society, also believe that the success of the EPA Clean Air Act holds valuable lessons for Congress—and the EPA—as both bodies consider how to deal with climate change. The technology used to reduce traditional pollutants like ozone and particulate matter can also be used to address greenhouse gas emissions.

The American Thoracic Society continues to play an active role in addressing global climate change. In May 2010, the organization hosted a workshop on the "Respiratory Health Effects of Global Climate Change" chaired by Dr. William Rom from New York University. We expect the workshop report to be finished shortly and will: 1) provide guidance on the known and likely respiratory health effects of climate change, and 2) pose valuable research questions to further our understanding of how climate change is impacting human health.

On behalf of the American Thoracic Society, I appreciate the opportunity to comment on the FY2012 budget for the Environmental Protection Agency before you, and Honorable Members of the U.S. House of Representatives Committee on Appropriations, Subcommittee on Interior, Environment, and Related Agencies. Thank you.



Written Testimony
by

Ryan Schmitt
President,
Petticoat-Schmitt Civil Contractors, Inc

&

Chairman of the Board
NUCA, Representing Utility and Excavation Contractors

before the

House Subcommittee on Interior, Environment,
and Related Agencies

addressing

Fiscal 2012 Appropriations: Interior and Environment

April 15, 2011

Chairman Simpson, Ranking Member Moran, and Honorable Members of the Subcommittee, my name is Ryan Schmitt. I am the president of Petticoat-Schmitt Civil Contractors, Inc., in Jacksonville, Florida. We have approximately 30 employees who work on water, sewer, drainage, roadway and other infrastructure projects throughout the northeast Florida and Southeast Georgia region.

I appreciate the opportunity to participate in this hearing on behalf of NUCA, representing utility and excavation contractors. NUCA supports the inclusion of \$3.5 billion for the Environmental Protection Agency's (EPA) State Revolving Fund (SRF) programs in the FY 2012 Interior/Environment appropriations measure. Specifically, we ask that the subcommittee include \$2.1 billion for the Clean Water SRF and \$1.4 billion for the Drinking Water SRF. These investment levels would restore FY 2010 SRF funding levels and would provide critical funding for these economically sound programs at a time when the country is in dire need of increased infrastructure investment.

The oldest and largest national trade association working solely for the excavation and utility construction industry, NUCA has a nationwide network of chapters and represents company members that provide the workforce and materials to advance the water, sewer, gas, electric, telecommunications, excavation and construction site development industries across the country.

NUCA also serves as chair of the Clean Water Council (CWC), a coalition of 37 national organizations representing underground construction contractors, design professionals, manufacturers and suppliers, labor representatives and others committed to ensuring a high quality of life through sound environmental infrastructure. These industries work collectively to improve critical underground systems that unquestionably enhance America's quality of life. For your reference, a list of CWC members is attached to this testimony.

A SOUND INVESTMENT IN CRITICAL ECONOMIC TIMES

It is no secret that the construction industry is facing huge economic challenges. In fact, the construction industry continues to face higher unemployment rates than any other industry sector. The Bureau of Labor Statistics (BLS) report for February indicated that unemployment in construction is now 21.8%. There are now nearly 2 million construction workers out of work.

In Florida we continue to face what we refer to as the "destruction of construction." My state has shed over 350,000 construction jobs in the past five years, which represents 52% of the entire available workforce. This staggering statistic has drastically affected the overall economy of our region and despite the "alleged" turnaround in the overall economy that some people speak of; we see no improvement now, nor do we see any coming. It's very discouraging to continually report to my employees that we have no upcoming work on the books.

Although SRF projects are recognized for their success in enhancing public health and environmental protection, the *economic* benefits that result from this work are often overlooked. Clean water projects help maintain a strong economic foundation by creating jobs, generating significant economic activity and expanding the local tax base. It's important to note that the jobs offered in this industry are good, high-paying jobs that are provided right here in America. These are not jobs that can be shipped overseas.

One need look no further than the stakeholders represented in the Clean Water Council to see the direct and indirect jobs that are created with SRF funding. Contractors and subcontractors, engineers, suppliers and manufacturers, as well as countless construction laborers, all benefit from work that impacts virtually all sectors of our society. And, the economic benefits resulting from these projects don't stop with the construction industry. Clean water increases community productivity through the influx of new residents and businesses resulting from revitalized neighborhoods.

In 2009, the CWC released a new study on the job creation and enhanced economic activity that comes with investment in water and wastewater infrastructure projects. The study, titled *Sudden Impact: Assessment of Short-Term Economic Impacts of Water and Wastewater Projects in the United States*, shows that a \$1 billion investment in water and wastewater infrastructure results in:

- the creation of up to 27,000 new jobs with average annual earnings for the construction portion of the jobs at more than \$50,000;
- total national output (i.e., demand for products and services in all industries) of between \$2.87 and \$3.46 billion;
- personal (household) income of between \$1.01 and \$1.06 billion; and
- approximately \$82.4 million in state and local tax revenue.

Of particular note, each of these economic impacts occurs during and immediately after project construction. Significant supplementary economic benefits will also accrue in the future, decades-long service life of each facility when repair and maintenance activities are conducted on these systems. In both the short-term and long-term, economic benefits ripple through local economies from manufacturers to distributors to construction laborers, and countless other industry sectors. In fact, the CWC study found that investment in water and wastewater infrastructure creates measurable employment in 325 other standard industry classifications. Copies of the *Sudden Impact* are available to any and all members of the subcommittee upon request.

AMERICA'S DECAYING ENVIRONMENTAL INFRASTRUCTURE

The need to invest in America's underground environmental infrastructure is well known, clearly documented, and has broad support. According to the EPA \$298.1 billion in investment is needed over the next 20 years to address America's wastewater infrastructure needs, and \$334 billion in investment is needed over the same time period for drinking water infrastructure improvements.

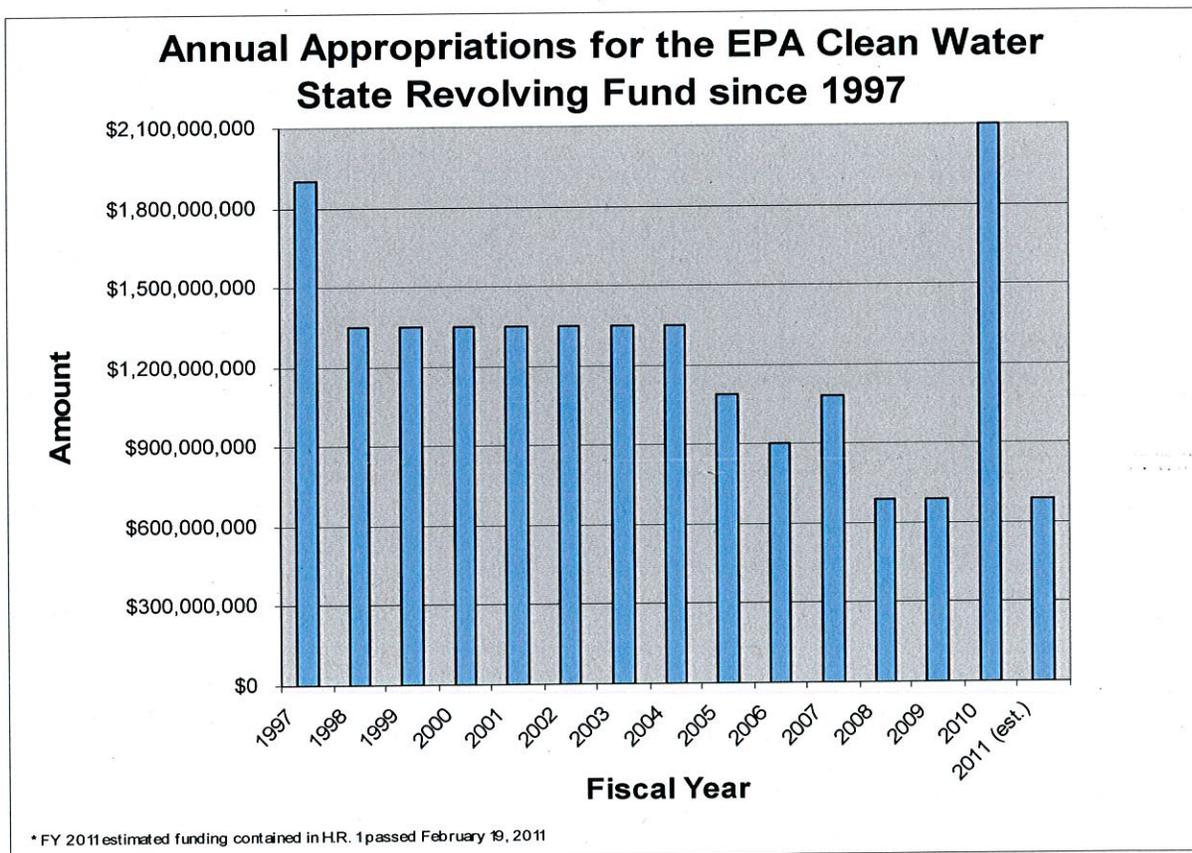
What is out of sight and out of mind to most people is clearly visible to NUCA members every day, and the view from the trenches isn't pretty. We routinely uncover rotting pipes with gaping holes that spill raw sewage into the surrounding ground of residential neighborhoods. This leakage can go undetected for months, even years in some cases. To make matters worse, these conditions are often within yards of waterways where we fish, beaches where we swim, and playgrounds where our children play.

One might think that Florida is too new of a state to have much failing infrastructure. Let me tell you, failing sewer systems and corroded water mains show no geographical bias. Right now, my company is working on replacing water and sewer main on a road project just outside of downtown Jacksonville. We also just happen to be working in front of one of the more exclusive

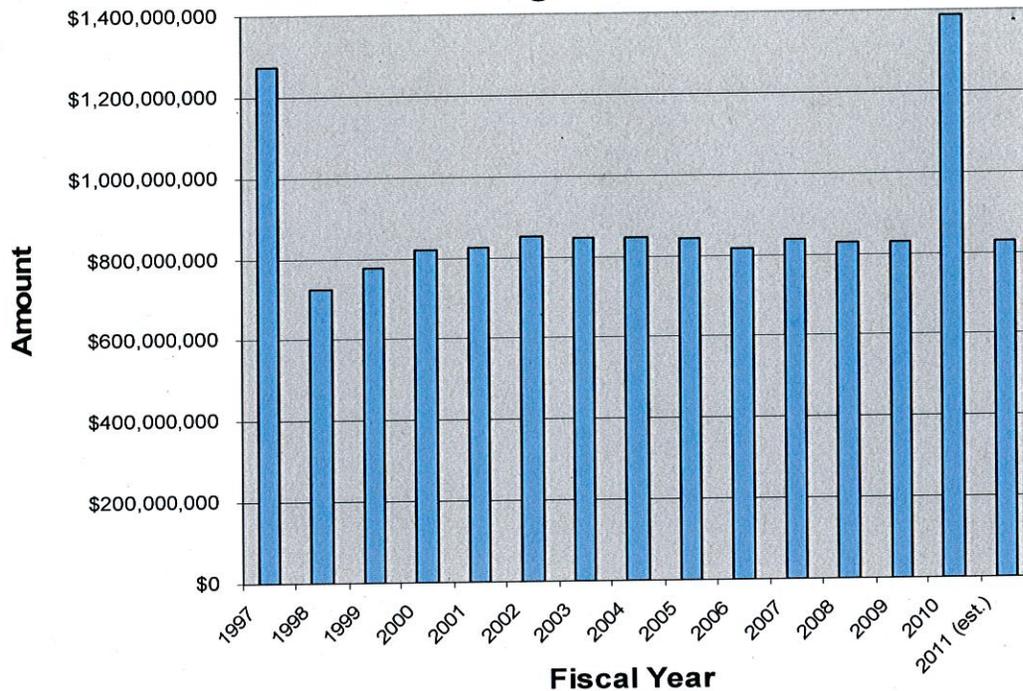
restaurants in town, a restaurant you might choose if you were visiting my city and dining with our mayor, as he often frequents this establishment. I can tell you first hand that the water main we replaced going to that restaurant had over 1" of tuberculation within the pipe. It was enough to permanently ruin your appetite for fine dining. Fortunately, if you dined there before we replaced the water main, you would have been safe because this first-rate restaurant uses a filter system for their water. However, why is it that, as a developed country, we have to filter the water that comes out of our potable water systems? Why do countless American families who can't afford a filtration system have to drink from tuberculated water mains?

Existing water and wastewater infrastructure continues to age and the number of incidents of water and sewer system failures continues to rise. Federal capital investment is being sustained, but is grossly inadequate to meet the growing needs. This financial gap will only get worse unless a firm commitment is made and increased federal resources are provided to needy communities. Moreover, the current lack of adequate funding unintentionally widens the investment gap by sending the implicit message that our nation's environmental infrastructure is not a national priority.

NUCA and the CWC have taken the lead for years in advancing a host of legislative efforts to begin to address the skyrocketing water/wastewater infrastructure needs facing our nation. Our focus in recent years has been on increasing annual appropriations for the SRF programs and on reauthorizing them at significantly higher funding levels.



Annual Appropriations for the EPA Drinking Water State Revolving Fund since 1997



*FY 2011 estimated funding contained in H.R. 1 passed February 19, 2011

The above charts show the direction federal funding for the SRF programs have taken in recent years. As you can see, FY 2010 was a turning point in the right direction, but unfortunately, SRF investment levels are again heading in the wrong direction.

CONCLUSION

Insightful lawmakers have referred to utility and excavation contractors as “true environmentalists.” Those in our industry are the individuals getting their boots dirty installing and repairing the infrastructure that helps make our lakes and rivers safe for public use. A robust SRF program enables our industry to do just that. These programs play a key role in enhancing public health and safety, protecting the environment and maintaining a strong economic base.

The fate of America’s water quality is in your hands. This subcommittee has the opportunity to change the perilous direction federal investment in the SRF programs have taken. NUCA strongly encourages the subcommittee to include \$2.1 billion and \$1.4 billion to the Clean Water SRF and Drinking Water SRF, respectively.

Thank you for the opportunity to submit testimony for the record.



American Concrete Pavement Association



Laborers' International Union of North America



American Concrete Pipe Association



Mason Contractors Association of America



American Concrete Pressure Pipe Association



NAIOP



American Council of Engineering Companies



National Association of Sewer Service Companies



American Public Works Association



National Association of Women in Construction



American Rental Association



National Precast Concrete Association



American Road and Transportation Builders Association



National Ready Mixed Concrete Association



American Society of Civil Engineers



National Society of Professional Engineers



American Subcontractors Association



National Stone, Sand and Gravel Association



American Supply Association



NUCA



Associated Equipment Distributors



Plastics Pipe Institute



Associated General Contractors of America



Plumbing-Heating-Cooling Contractors Association



Association of Equipment Manufacturers



Portland Cement Association



Construction Management Association of America



Uni-Bell PVC Pipe Association



Ductile Iron Pipe Research Association



The Vinyl Institute



Interlocking Concrete Pavement Institute



Water and Sewer Distributors of America



International Union of Operating Engineers



Water and Wastewater Equipment Manufacturers Association



Laborers-Employers Cooperation
and Education Trust

Clean Water Council

The Environmental Council of the States
Subcommittee on Interior, Environment and Related Agencies
U.S. EPA Budget

Summary: The states are co-regulators with the U.S. Environmental Protection Agency (EPA) in the implementation of the nation's environmental laws. States implement nearly all federal environmental regulations that EPA is eligible to delegate to them, including the permitting, inspections, enforcement, monitoring, and data collection. Congress provides about 20% of the cost to a state through "categorical grants" portion of the STAG budget within EPA's budget, but this amount has declined while EPA has added many new rules for states to implement. We recommend that the Committee and the House pass the EPA 2012 budget proposal for the categorical grants portion of STAG.

For more information please contact:

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Testimony: I am testifying on behalf of the leaders of the state and territorial environmental agencies that are the members of the Environmental Council of the States (ECOS). I am the current President of ECOS, and the director of Montana's Department of Environmental Quality.

The states' environmental agencies operate nearly all of the permitting, inspections, enforcement, monitoring, and data collection, (and some of the standard setting as well) on behalf of EPA, through the system commonly called "delegation." EPA has delegated to states as of April, 2011: 50 of the 50 state air programs, 49 of the 50 state drinking water programs, 46 of the 50 state water permitting programs, and 48 of the 50 hazardous waste programs¹. States also operate many other smaller programs on behalf of EPA, such as radon, lead abatement, beaches, pesticides, etc.

ECOS research shows that the states pay about 80% of the cost of running these delegated federal programs. In a typical state about 20% of the funds spent to implement a delegated program come from the categorical grants portion of STAG, about 18% from the state general fund, and the other 62% from permit fees or dedicated state funds². In recent years, the state general fund portion and the categorical grant portion has declined. The total amount of categorical grants (i.e., federal) funding provided to the states to implement federal laws has declined since 2004 from \$1.176 billion to \$1.116 billion. ECOS research shows that the average

¹ *Delegation by Environmental Act*, ECOS, November 2010. http://www.ecos.org/section/states/enviro_actlist

² *Status of State Environmental Agency Budgets, 2009-2011*, by Brown and Fishman, ECOS, August 2010, page 6.

state environmental agency budget decreased from \$4.489 billion in 2009 to \$3.882 billion in 2011 as well³.

During the period of funding decline, the federal government continued to ask states to implement new or highly modified environmental laws. States rarely oppose these requests. However, the combination of a declining funding base and a constantly increasing workload (discussed in more detail below) greatly increases the likelihood that environmental programs will not protect the public as intended, in spite of the best efforts of the states and EPA. States are forced to choose which rules they will implement, whether (or when) a permit will be issued, or an inspection conducted, or a response given to a complaint from the public, or a monitoring station closed. Eventually, no state can simultaneously meet all the expectations on all the rules when budgets are consistently reduced year after year and the number of new rules to be implemented continues to increase year after year.

ECOS has discussed this situation extensively with EPA. As the agency was beginning to develop its proposal, the staff met with ECOS leadership who presented the “2012 State Statement of Needs.”⁴ This document provided details about the federal workload to states and provided the states’ assessment of the budget needed to address EPA’s requests. For 2012, this amounted to nearly \$2.5 billion from categorical grants – well above 2010’s allocation of \$1.1 billion. While EPA did not ultimately ask for that amount in its proposal, based on its budget proposal for 2012 we believe that EPA agrees with the states that declining federal support for categorical grants cannot continue. In its 2012 proposal the Agency proposes a 7.6% increase for categorical grants. The state environmental agencies support this budget request and encourage the Committee to adopt it.

We note that nearly every state has reduced its budget since 2008, and that the federal government is planning to do the same. Some may ask: why should the federal government increase funding for state operations while states are reducing these budgets? One answer is that it is much, much cheaper for the federal government to partially fund the states to operate its programs than for it to fully fund EPA to do so. ECOS research shows that a typical federal environmental agency employee earns about 50% more per year than a state environmental agency employee in the same profession and with similar experience⁵. If a state finds the cost to operate a federal environmental program to be too expensive, it can always turn that program back over to EPA – at least two states are currently considering this move. In such a case, EPA will be paying more for its employees and since the federal government only funds on average about one-fifth the cost of for a state to implement a program, it will likely also have to pick up the 80% in costs that the states currently pay for. In all, the Appropriations Committee should expect the cost for EPA to implement a program that is currently delegated to a state to be five to six times as much as for the state to run it. EPA understands this very well and has always tried

³ Brown and Fishman, *op. cit.*, page 6.

⁴ *The State Environmental Agencies’ Statement of Need and Budget Proposal for EPA’s 2012 Categorical Grants STAG Budget*, ECOS, June 2010

http://www.ecos.org/files/4109_file_ECOS_Proposal_for_EPAs_2012_STAG_Budget_v2_0.pdf

⁵ *Cost to Move a Program from a State to U.S. EPA*, ECOS, 2011

http://www.ecos.org/files/4354_file_Cost_to_Move_a_Program_from_a_State_to_EPA.xls

to avoid a situation in which a state might be motivated to return a delegated program for funding reasons.

Now let us turn to the State Revolving Funds (SRFs). ECOS is on record asking Congress to fully fund and reauthorize the Clean Water State Revolving Loan Fund⁶. We also support the Drinking Water State Revolving Loan Fund. We recognize that the President's 2012 budget proposal cuts funding to the SRFs. While we would prefer not to see cuts to the SRFs, we recognize that many in Congress and elsewhere want to reduce federal spending, and that these large funds are a conspicuous place to do so within EPA's budget. We also acknowledge that the SRFs got a significant one-time boost from the American Recovery and Reinvestment Act of 2009. We remind the Committee that while a cut to the SRF is technically a cut to EPA's budget, it is in reality a cut to the states and the local governments, and that it is a cut that reduces the amount that these governments have to comply with a federal mandate. However, the SRF cuts proposed in the 2012 budget will not cause lasting damage to the states and local governments provided that: 1) the cuts are limited to one or two fiscal years; 2) that the SRF is ultimately fully funded, and 3) that new rules for which state and local governments use the SRF to comply are not promulgated during the years of the cuts to the SRF. Otherwise, state and local governments will be facing a significant unfunded mandate that many of them, especially the smaller systems, will find difficult to meet, and we might expect deteriorating water quality conditions to result.

Lastly, we want to discuss the workload that the federal government expects the state environmental agencies to conduct on its behalf. As we stated, most EPA rules are handed over to the state agencies which actually implement them. With the rare exception (such as the coal combustion residual rule proposal, or rules that states are asked to implement before they are finalized) states do not oppose these rules. In fact, we often support them or even ask EPA to promulgate them (such as dental amalgams waste mercury and mercury storage rules). However, the volume and complexity of EPA rules is outstripping the financial support that states receive to implement them.

For example, we cannot list the new EPA rules that affect state and local governments for the periods from 2008-2010⁷ in this document, because the list is so long that we would have no room for anything else in our four-page testimony. In 2008 EPA issued approximately 46 new regulations that had a significant impact on state governments. For 2009, there were about 36 significant new rules. In 2010 EPA listed approximately 57 significant new regulations - this one year was the highest total number of significant new regulations since 2000. Effectively, EPA is asking the states to implement 139 new or modified rules during a time when the categorical grants budgets have not even kept up with inflation.

⁶ "Congress Should Reauthorize and Fully Fund the CW SRF", ECOS Resolution 08-1, March 29, 2011. 4391_file_08_1_CWSRF_2011_version.doc

⁷ Among several sources, the reader can find a current list of rules impacting state governments at EPA's Rulemaking Gateway: <http://yosemite.epa.gov/opei/RuleGate.nsf/content/effectsstategov.html?OpenDocument&Count=1000&ExpandView>

In conclusion, states understand and accept their responsibilities in implementing federal programs on behalf of EPA. We ask in return that Congress supply an amount commensurate with that workload – not 100% of the cost, but an amount that takes into consideration the number of rules and inflation. In so doing, this will allow the states to continue to operate these programs, to better serve our citizens and to save the federal government a very large cost that it would bear if states did not run these programs. We recommend that the Committee and the House pass the EPA 2012 budget proposal for the categorical grants portion of STAG.

Testimony of the
Geological Society of America
Dr. Craig M. Schiffries
Director for Geoscience Policy

Regarding the
U.S. Geological Survey
FY 2012 Budget Proposal

To the
U.S. House of Representatives
Committee on Appropriations
Subcommittee on Interior Environment, and Related Agencies

April 15, 2011

Summary

The Geological Society of America (GSA) urges Congress to appropriate at least \$1.2 billion for the U.S. Geological Survey (USGS) in fiscal year 2012. The USGS is one of the nation's premier science agencies. It addresses many of society's greatest challenges, including mineral and energy resources, natural hazards, climate change, and water availability and quality. The USGS benefits every American every day. The magnitude 9.0 earthquake and tsunami that devastated Japan on March 11, 2011 emphatically demonstrates the value of robust natural hazards monitoring and warning systems and the need for increased funding for the USGS. Nevertheless, funding for the USGS has stagnated in real dollars for more than a decade.

The Geological Society of America supports strong and growing budgets for the U.S. Geological Survey. Increased federal funding for Earth science is needed to stimulate innovations that fuel the economy, provide national security, and enhance the quality of life. The USGS has a unique combination of expertise and assets that enable it to address interdisciplinary research challenges that are beyond the capabilities of most other organizations.

The Geological Society of America, founded in 1888, is a scientific society with over 24,000 members from academia, government, and industry in all 50 states and more than 90 countries. Through its meetings, publications, and programs, GSA advances the geosciences, enhances the professional growth of its members, and promotes the geosciences in the service of humankind. GSA encourages cooperative research among earth, life, planetary, and social scientists, fosters public dialogue on geoscience issues, and supports all levels of earth science education.

SCIENCE ■ STEWARDSHIP ■ SERVICE

Rationale

Science and technology are engines of economic prosperity, environmental quality, and national security. Federal investments in research pay substantial dividends. According to the National Academies' report *Rising Above the Gathering Storm* (2007), "Economic studies conducted even before the information-technology revolution have shown that as much as 85% of measured growth in US income per capita was due to technological change." In 2010, the National Academies issued an updated report, *Above the Gathering Storm, Revisited*, which says:

It would be impossible not to recognize the great difficulty of carrying out the *Gathering Storm* recommendations, such as doubling the research budget, in today's fiscal environment...with worthy demand after worthy demand confronting budgetary realities. However, it is emphasized that actions such as doubling the research budget are investments that will need to be made if the nation is to maintain the economic strength to provide for its citizens healthcare, social security, national security, and more. One seemingly relevant analogy is that a non-solution to making an over-weight aircraft flight-worthy is to remove an engine.

Likewise, the National Commission on Fiscal Responsibility and Reform, headed by Erskine Bowles and Alan Simpson, said:

Cut and invest to promote economic growth and keep America competitive. We should cut red tape and unproductive government spending that hinders job creation and growth. At the same time, we must invest in education, infrastructure, and high-value research and development to help our economy grow, keep us globally competitive, and make it easier for businesses to create jobs.

Earth science is a critical component of the overall science and technology enterprise. Growing support for Earth science in general and the U.S. Geological Survey in particular are required to stimulate innovations that fuel the economy, provide security, and enhance the quality of life. Earth Science provides knowledge and data essential for developing policies, legislation, and regulations regarding land, mineral, energy, and water resources at all levels of government.

Advancing Science and Scientific Integrity at the Department of the Interior

Science and scientific integrity advanced through the combination of two recent developments at the U.S. Department of the Interior. Secretary of the Interior Ken Salazar issued a new five-year strategic plan that for the first time elevates science to one of five mission areas for the entire department. The Interior Department also adopted a comprehensive scientific integrity policy that sets clear expectations for all employees, including political appointees, public affairs officers, and scientists. These developments are cause for optimism. GSA expects that the elevation of science to a mission area will guide investments and the allocation of resources that are reflected in the budget for the U.S. Geological Survey.

Broader Impacts of the U.S. Geological Survey

The USGS is one of the nation's premier science agencies. It addresses many of society's greatest challenges, including natural hazards, mineral and energy resources, climate change, and water availability and quality.

- Natural hazards – including earthquakes, tsunamis, volcanic eruptions, floods, droughts, wildfires, and hurricanes – remain a major cause of fatalities and economic losses worldwide. A failure to prevent natural hazards from becoming natural disasters will increase future expenditures for disaster response and recovery. Recent natural disasters provide unmistakable evidence that the United States remains vulnerable to staggering losses. The magnitude 9.0 earthquake and tsunami that devastated Japan on March 11, 2011, the magnitude 7.0 earthquake that killed more than 200,000 people in Haiti on January 12, 2010, and the small volcanic eruptions in Iceland that disrupted global air traffic in April 2011, provide compelling evidence that the United States needs better data to inform further actions to reduce risks from natural hazards. An improved scientific understanding of geologic hazards will reduce future losses through better forecasts of their occurrence and magnitude. We urge Congress to increase funding for the USGS to modernize and upgrade its natural hazards monitoring and warning systems.
- Energy and mineral resources are critical to the functioning of society and to national security and have positive impacts on local, national, and international economies and quality of life. Improved scientific understanding of these resources will allow for their better management and utilization, while at the same time address economic and environmental issues. USGS assessments of mineral and energy resources – including rare earth elements, unconventional natural gas resources, and geothermal resources – are essential for making informed decisions about the nation's future. Widespread deployment of new energy technologies can reduce greenhouse gas emissions, mitigate climate change, and reduce dependence on foreign oil. Minerals and energy are intertwined because many emerging energy technologies – such as wind turbines and solar cells – depend on rare earth elements and critical minerals that currently lack diversified sources of supply. China accounts for 95 percent of world production of rare earth elements although it has only 36 percent of identified world reserves (USGS, 2010). A renewed federal commitment to innovative research, information, and education on mineral and energy resources is needed to address these issues.
- Forecasting the outcomes of human interactions with Earth's natural systems, including climate change, is limited by an incomplete understanding of geologic and environmental processes. Improved understanding of these processes in Earth's history can increase confidence in the ability to predict future states and enhance the prospects for mitigating or reversing adverse impacts to the planet and its inhabitants.
- The availability and quality of surface water and groundwater are vital to the well being of both society and ecosystems. Greater scientific understanding of these critical resources—

and communication of new insights by geoscientists in formats useful to decision makers—is necessary to ensure adequate and safe water resources for the future.

- Research in Earth science is also fundamental to training and educating the next generation of Earth science professionals.

Budget Shortfalls

President Obama's FY 2012 budget request for the U.S. Geological Survey is \$1.118 billion, a decrease of \$15 million or 1.3 percent below the USGS budget request for FY 2011. Although there is a \$6 million or 0.5% increase in the total USGS budget request for FY 2012 compared to the FY 2010 enacted level, the FY 2012 budget request contains \$89.1 million in budget cuts in core science programs that would be offset by increases in other areas, including a \$48 million increase in a new account for National Land Imaging. The proposed budget cuts would have significant negative impacts on the scientific capabilities of the USGS. Proposed reductions in the FY 2012 USGS budget request include -\$9.8 million for Biological Information Management and Delivery, -\$9.6 million for Mineral Resources, -\$8.9 million for National Water Quality Assessment, -\$6.5 million for Water Resources Research Act Program, and -\$4.7 million for Earthquake Hazards. The Geological Society of America urges Congress to appropriate at least \$1.2 billion for the USGS in FY 2012.

It appears that responsibilities for Landsat satellites have been transferred from NASA to USGS without a corresponding transfer of budget authority. In the USGS budget request for FY 2012, a \$48 million increase for National Land Imaging would be offset by budget decreases for core USGS science programs. This trend cannot continue without compromising the mission of the U.S. Geological Survey. Experience with other satellites indicates that the cost of operating Landsat is likely to rise significantly in future years with the launch of Landsat 8, 9, and 10.

The USGS budget has been nearly stagnant in real dollars since 1996. The USGS budget for FY 2010 was below the USGS budget for FY 2001 in real dollars. The decline in funding for the USGS during this time period would have been greater if Congress had not repeatedly restored proposed budget cuts. Federal funding for non-defense R&D has increased significantly while funding for the USGS stagnated for more than a decade. During this time, natural hazards, mineral and energy resources, and water availability and quality have become increasingly important to the nation.

Thank you for the opportunity to provide testimony about the U.S. Geological Survey. The Geological Society of America is grateful to House Appropriations Subcommittee on Interior, Environment, and Related Agencies for its leadership in strengthening the U.S. Geological Survey over many years. For additional information or to learn more about the Geological Society of America – including GSA Position Statements on water resources, mineral and energy resources, climate change, natural hazards, and public investment in Earth science research – please visit www.geosociety.org or contact Dr. Craig Schiffries at cschiffries@geosociety.org.

**TESTIMONY OF
THE AMERICAN SOCIETY OF CIVIL ENGINEERS
BEFORE THE
SUBCOMMITTEE ON INTERIOR, ENVIRONMENT AND RELATED AGENCIES
U.S. HOUSE OF REPRESENTATIVES
ON THE
ON THE FY 2012 BUDGETS OF
THE ENVIRONMENTAL PROTECTION AGENCY
AND THE UNITED STATES GEOLOGICAL SURVEY
APRIL 15, 2011**

Mr. Chairman and Members of the Subcommittee:

I am Patrick J. Natale. I am a licensed Professional Engineer in the state of New Jersey and the Executive Director of the American Society of Civil Engineers (ASCE). I am pleased to be here today to present ASCE's views on the proposed budgets for the Environmental Protection Agency (EPA) and the United States Geological Survey for Fiscal Year 2012.

A. THE ENVIRONMENTAL PROTECTION AGENCY

The president's proposed budget for EPA in FY 2012 represents a setback for the nation because it reduces spending on critical infrastructure systems designed to protect public health.

Our 2009 *Report Card for America's Infrastructure* gave the nation's wastewater and drinking-water systems identical grades of D-, marking them as systems in near total failure. We estimated then that the physical condition of many of the nation's 16,000 wastewater treatment systems was poor due to a lack of investment in plants, equipment, and other capital improvements over the years, while federal funding under the Clean Water Act State Revolving Loan Fund (SRF) program had remained flat for more than a decade. Federal assistance has not kept pace with the needs, yet virtually every authority agrees that funding needs remain very high, a condition that has not improved in the last two years.

The EPA "Clean Water Needs Survey" for 2008, released last October, put the total wastewater and stormwater management needs for the nation at \$298.1 billion as of January 1, 2008. This amount includes \$192.2 billion for wastewater treatment plants, pipe repairs, and buying and installing new pipes; \$63.6 billion for combined sewer

overflow correction; and \$42.3 billion for stormwater management. Small communities have documented needs of \$22.7 billion.

In addition to the \$298.1 billion in wastewater and stormwater needs, the report documented needs of \$22.8 billion for nonpoint source pollution prevention and \$23.9 billion for decentralized wastewater (septic) systems. An estimated \$334.5 billion and \$81.5 billion in needs are potentially eligible for assistance from EPA's Clean Water State Revolving Fund and Nonpoint Source Control Grant programs respectively, the agency reported.

Meanwhile, the nation's drinking-water systems also face staggering public investment needs over the next 20 years. Although America spends billions on water infrastructure each year, drinking water systems face an annual shortfall of at least \$11 billion in funding needed to replace aging facilities that are near the end of their useful life and to comply with existing and future federal water regulations. The shortfall does not account for any growth in the demand for drinking water over the next 20 years. Nevertheless, the agency's overall budget proposal for FY 2012 represents about a 13 percent decrease from the FY 2010 enacted budget of \$10.3 billion for all EPA programs.

The most serious cutback totals \$2.5 billion—a decrease of \$938 million—for the Clean Water State Revolving Fund (SRF) and Safe Drinking Water Act SRF. The wastewater treatment SRF is being reduced by \$550 million and the drinking-water SRF by \$388 million from the FY 2010 enacted amounts.

On its web site, the EPA states: "While this budget includes significant cuts, it is designed to ensure that EPA can effectively carry out its core mission to protect public health and our environment, including the reductions of . . . water pollution."
<http://www.epa.gov/planandbudget/annualplan/fy2012.html>

We respectfully disagree. The agency's own budget states the problem succinctly. "America's waters remain imperiled."

Federal funds contributed to the SRFs have ensured efficient systemwide planning and continuing management of sustainable water infrastructure since 1987. With the nation facing a \$400 billion to \$500 billion investment gap in its wastewater and drinking-water infrastructure over the next 20 years, now is not the time to cut federal investments in public health.

We recognize of course that Congress is dealing with enormous deficits and a growing federal debt, but the remedies for these problems must not come at the expense of programs aimed at protecting public health from the dangers of increased contamination in our rivers, lakes and streams and our drinking-water supplies.

ASCE recommends an appropriation of \$2 billion for the Clean Water State Revolving Loan Fund (SRF) and an appropriation of \$1.5 billion for the Safe Drinking Water Act SRF in FY 2012.

B. UNITED STATES GEOLOGICAL SURVEY

The U.S. Geological Survey (USGS) is one of the nation's foremost science agencies. It produces the scientific data essential for the protection of the quality of economically vital water resources, for the prediction of earthquakes and volcanoes, for the cataloging of America's vast biological resources and for dozens of other critically important technical needs.

The administration's FY 2012 budget request for the USGS is \$1.118 billion, an overall decrease of \$15 million or 1.3 percent below the USGS budget request for FY 2011, but a small increase of \$6 million or one half of one percent above the FY 2010 enacted level.

Although there is a \$6 million increase in the total USGS budget request for FY 2012 compared to the FY 2010 enacted level, the FY 2012 budget request contains significant cuts in many programs that are offset by increases in other areas, including a \$59.6 million increase in a new account for National Land Imaging.

The USGS budget request for FY 2012 includes \$89.1 million in program reductions in longstanding programs. The proposed budget cuts would have significant impacts on USGS programs. Proposed budget cuts in the FY 2012 USGS budget request include decreases of \$9.8 million for Biological Information Management and Delivery, \$9.6 million for Mineral Resources, \$8.9 million for National Water Quality Assessment, \$6.5 million for Cooperative Water Program, and \$4.7 million for Earthquake Hazards.

In FY 2012 the administration seeks to cut the National Water Quality Assessment Program (NAWQA) by \$6.7 million from FY 2010. NAWQA is one of the nation's major sources of information on the flow and volume of rivers, streams and groundwater formations. The least harmful effect of these cuts would postpone the implementation of real-time technology for water-quality monitoring necessary to public health programs at the state and local levels. At their worst they would eliminate funding for monitoring and assessment of groundwater in 33 states. This information is used to identify contaminants in public drinking-water wells and manage groundwater to meet future needs for potable drinking-water and uncontaminated irrigation flows.

The USGS operates approximately 7,000 stream gages nationwide. These gages provide real-time data typically are recorded at 15- to 60-minute intervals, stored onsite, and then transmitted to USGS offices every one to four hours, depending on the data relay technique used, through the stream-gauging program. These data are used to predict floods, allocate water supplies, provide water flow data for publicly owned treatment works (POTWs), and assist in the design of flood-resistant bridges. National Streamflow Information Program is being reduced by more than \$800,000 from the FY 2010 enacted appropriation for streamflow in the president's budget. We urge the Congress to reinstate this cut.

The administration also proposes to cut \$3.5 million from the coastal and marine geology program. We support efforts to restore the entire amount of the reduction. This program supports the USGS' effort to understand the science of coastal and marine hazards, coastal groundwater studies and research into catastrophic storms, leaving funding only for the largest hurricanes to make landfall. These cuts are ill conceived and threaten the safety of Americans living along our coastlines.

We understand the challenges presented by the federal budget deficit. But any failure to prevent natural hazards from becoming natural disasters will increase future expenditures for disaster response and recovery. Recent natural disasters provide unmistakable evidence that society is vulnerable to staggering losses. The magnitude 9.0 earthquake and tsunami that devastated Japan on March 11, 2011, the magnitude 7.0 earthquake that killed more than 200,000 people in Haiti on January 12, 2010, and the small volcanic eruptions in Iceland that disrupted global air traffic in April 2011, provide compelling evidence that the United States should take further actions to reduce risks from natural hazards.

The Administration's FY 2012 budget request includes \$133.9 million for Natural Hazards, \$5.1 million below the 2010 enacted level. ASCE is concerned that this decrease could compromise public safety. USGS, and other federal agencies involved in hazards research and mitigation, have face many years of underfunding; the proposed budget request will continue this trend.

The recent earthquakes highlight the importance of such programs as the National Earthquake Hazards Reduction Program (NEHRP), of which USGS is an important part. The Earthquake Hazards Program (EHP) is one part of USGS' contribution to NEHRP. Earthquakes pose significant risk to 75 million Americans in 39 States. The EHP provides information and products for earthquake loss reduction, including hazard and risk assessment, and comprehensive real-time earthquake monitoring. ASCE request that Congress restore funding to FY 2010 levels for Natural Hazards.

Congress must increase the total appropriation for the USGS in FY 2012. It must restore the \$39 million in cuts proposed for biological information, mineral resources, water-quality assessment and earthquake hazards programs in order to provide full funding for uncontrollable cost increases, and to provide new funds to enable the agency to address a growing backlog of needs for USGS science and information, accelerate the timetable for deployment of critical projects, and undertake new initiatives that address new challenges.

ASCE recommends an appropriation of \$1.2 billion for the USGS in FY 2012.

TESTIMONY OF SHELLEY ROBERTS

CHIEF EXECUTIVE OFFICER
IDAHO RURAL WATER ASSOCIATION

BEFORE THE COMMITTEE ON APPROPRIATIONS, SUBCOMMITTEE ON INTERIOR,
ENVIRONMENT, AND RELATED AGENCIES

Chairman Simpson, Ranking Member Moran, and Members of the Committee, thank you for the opportunity to appear before you to discuss the Environmental Protection Agency's technical assistance and training that directly benefits rural America. I must also thank you for and your staff for all the support and guidance you have offered. My purpose in appearing before you is to simply emphasize the importance of providing grass roots small water systems training and technical assistance in carrying out the expanding requirements of the Safe Drinking Water Act. Currently, 92 percent of community water systems are located in communities of 10,000 or less population. When this initiative was authorized in the SDWA, it provided two alternative sources of funding. The first was an authorization for a \$15 million grant program. The source of this funding is in jeopardy because of the overall reduction in EPA funding. The second was the option for a 2% set aside from within the Drinking Water State Revolving Fund. This second option was included because of the conviction of Congress that it was important to fund the small systems assistance program as a core element within the overall law. We urge you to continue funding for the national program at the \$15 million authorization level.

In Idaho, as you are aware, we have 2,011 regulated water systems of which 1,800 serve less than 500 connections. There are similar comparisons in the other states. I have witnessed a direct correlation between this assistance and increased compliance and sustainable activities for the utilities in Idaho. In the long run, systems that are maintained and properly managed actually save the community and federal government money.

EPA regulations are the same for both small and large systems. Small utilities lack the financial resources and capacity of their urban counterparts. The primary onsite training and technical assistance that these systems receive comes from the small water system training and technical assistance program operated by state rural water associations and funded by this Committee. This program operates in nearly every county in the country and is available at no cost onsite to all small systems. The program was started in the 1977 EPA budget by a Congress that had just passed the SDWA that knew that small water systems could not comply without some peer based onsite training and technical assistance. The Idaho Rural Water Association was created to implement this program.

Currently, in Idaho's Second Congressional District, we have recently produced three additional source water protection plans. These plans, with local grassroots support, will provide for the protection of ground and surface water necessary for these rural communities to have sustainable, safe and clean water. The City of American Falls serves over 4,000 people and 14 of those wells are now protected. In the City of Driggs, there are 6 wells

protected that serve over 1,100 people. Also, Henry Fork's Village Water Company is in the process of implementing their plan which will protect 3 wells. In each case, runoff going into local streams is being managed and reduced.

Each Member of this Subcommittee has a state rural water association that assists small systems daily in your Congressional Districts. A record of these visits and the results are reported to your staff either monthly or quarterly by your state rural water association. This is the one EPA program that has daily beneficial impacts on the most environmentally vulnerable citizens of your state. Our TA and Source Water Protection programs are also the only EPA funded programs reporting a specific list of assistance provided with corresponding results to individual Members of Congress. A copy of the National Rural Water Association Report to Congress has been provided to each Committee Member.

Our citizens generally take clean, safe and affordable drinking water for granted. Most Americans don't realize the efforts and leadership that our state rural water associations ---our local utilities and community leaders--- and this Committee provide to protect and preserve this valuable public health resource. We are fortunate that we live in a country where we can drink water in literally any community within this large nation with confidence that it is safe.

We urge you to continue to fund this relatively small part of the EPA budget which is directed to implement a law that has daily impact on the overwhelming majority of water systems in Idaho and the other states.

Thank you Mr. Chairman and Ranking Member Moran. I look forward to the Subcommittee's questions.

Testimony of Conrad Anker
On behalf of the LWCF Coalition
In Support of the Land and Water Conservation Fund
House Appropriations Committee
Subcommittee on Interior, Environment, and Related Agencies
The Honorable Michael Simpson, Chairman
The Honorable James Moran, Ranking Member

March 28, 2011

Mr. Chairman, Ranking Member Moran and Honorable Members of the Subcommittee:

Thank you for the opportunity to present testimony in support of the Land and Water Conservation Fund (LWCF) in the FY 2012 Interior Appropriations Bill. My name is Conrad Anker and I am appearing today on behalf of the Land and Water Conservation Fund (LWCF) Coalition. The Coalition represents a broad array of groups and individuals across the country who value land conservation and outdoor recreation with members from ranging from business leaders to sportsmen to conservation organizations.

I have had the great good fortune to combine my personal passion for the outdoors with my career as an alpinist and professional athlete. For the past 27 years I have worked with The North Face, an apparel and equipment company based in San Leandro, California with annual sales of \$1.4 billion and over 425 employees. Today I manage the athlete program to encourage and support outdoor participation. My work also involves initiatives to engage youth in the outdoors and corporate sustainability. The North Face is very aware that the attributes of nature are part of the brand DNA. As such it is important to our business model that we have places for our customers to use their products.

I spend a good deal of my time traveling to towns and cities across the country, speaking on behalf of The North Face to audiences who view outdoor recreation as an essential part of their daily lives. From the California Desert to the Sawtooth National Recreation Area to Virginia's civil war battlefields, the landscapes vary but the themes are consistent: access to the outdoors defines our communities and the fabric of our lives.

It is instructive to note that in the last 11 years The North Face has led in sales and growth among its sister companies of Vanity Fair (VFC), its parent corporation. Even in these tough economic times when families need to cut back on spending, people are willing to invest in outdoor recreation. They understand that it is a wise investment that reaps benefits to their health and well being. In turn, this spending supports jobs and helps sustain economic vibrancy in our communities. And, the popularity and demand for opportunities to visit land in its natural state will only increase as population grows and these natural places increase in esthetic and economic value.

The outdoor industry is one of America's fastest growing sectors and yet its contributions to the health of the American economy are not widely recognized. Our industry is highly recession resistant; contributes over \$730 billion to the American economy each year; and generates \$88 billion in annual state and federal tax revenue. 6.5 million American jobs are supported by the active outdoor recreation economy. The outdoor sector is a truly major part of the U.S. economy; one that America still dominates globally; and one that represents opportunities for sustained economic growth in communities, rural and urban, across America.

The direct and indirect impacts of the outdoor industry can be broken down as follows: Americans spend \$46 billion each year on active, outdoor equipment, apparel, footwear, accessories, and services. Additionally, they spend approximately \$243 billion on outdoor excursions within our sector every year. This adds up to \$289 billion in direct expenditures. The indirect expenditures, totaling \$441 billion, are the result of a ripple effect—the sum total of economic interactions that impact and benefit each other. This ripple effect encompasses manufacturing, transportation and warehousing, real estate and rentals, accommodations and food services, financing and insurance, professional services (such as technical and scientific).

The outdoor industry's significant contributions to our national economy rely heavily upon America's iconic and unique parks and forests, our mountains and rivers and wide open spaces—natural resources that are recognized and respected around the world. Our nation's unparalleled outdoor resources are of course about much more than dollars and cents. They are the places that provide us with recreation and refuge, that connect us to our past, that let us experience the natural world and its abundant wildlife, and that in many other ways define us as a people. Still, as I and others speak with you today about the need to protect these remarkable assets for our children and theirs, please keep in mind that these lands also are a very real and integral part of the environmental infrastructure that sustains millions of jobs and some \$730 billion in economic activity each year.

The Land and Water Conservation Fund is the premier federal program to ensure that all Americans have access to the outdoors. Whether it is a local community park or playground, or the vast expanses of our federal public lands, Congress created the LWCF in 1964 to guarantee America's natural, historical and outdoor recreation heritage. In 1968, Congress had the wisdom to authorize an income stream for LWCF from offshore oil and gas leasing revenues – not taxpayers' dollars. With an average of over \$6 billion coming in from offshore leasing royalties annually (and significantly more expected in future years), \$900 million for the LWCF account is a wise and balanced conservation offset to offshore energy development. Yet, this account has been shortchanged by over \$17 billion over the life of the program.

As a professional adventurer, I believe outdoor experiences inspire and nourish the human spirit. In children, these formative experiences foster creativity and confidence and nurture the entrepreneurial spirit that will build America's success of tomorrow. And, a lifetime of fitness, instilled by early access to outdoor recreation, has incalculable

quality of life and public health benefits both to individuals and to our society as a whole. Children who play outside are healthier, socialize easier and foster a sense of curiosity, the cornerstone of innovation. Education and innovation are vitally important to the economic well being of our nation.

America's unique public land heritage sets an example the world over. It epitomizes the spirit of self-reliance, independence and opportunity that we inherited and should bequeath to our children. In the words of President Theodore Roosevelt: "Of all the questions which can come before this nation, short of the actual preservation of its existence in a great war, there is none which compares in importance with the great central task of leaving this land even a better land for our descendants than it is for us."

In my home state of Montana, LWCF funding is helping our communities to protect our ranching way of life along the Rocky Mountain Front, conserving blue ribbon trout streams in the Madison Valley of the Greater Yellowstone Ecosystem, and maintaining working forests and intact watersheds along the Kootenai River. These projects complement state, local and private land protection dollars, enhance public access for hunting, fishing and other recreation, preserve community watersheds and clean water supplies, and reduce wildfire threats by avoiding development in fire prone areas surrounding our towns and cities.

Purchase of key inholdings across our public lands is a wise investment of taxpayer dollars that often solve management problems and reduce costs to the taxpayer. In Montana's Swan Valley, LWCF funding is helping to consolidate the checkerboard ownership pattern, a remnant of the 19th century railroad land grants. This eliminates alternate sections of private property with the national forests, thereby reducing the threat of inappropriate development and the associated management challenges and costs.

In the Kootenai River watershed of northwestern Montana, funding in Fiscal Year 2012 through the Forest Legacy Program, (included under the umbrella of LWCF-funded conservation programs), will allow 28,000 acres of critical resource and recreation lands to be conserved by a working forest conservation easement. These lands and their wildlife and fisheries resources will be forever conserved for public use and enjoyment while continuing to be managed as a sustainable, working forest by a private timber company. This is a win-win that maintains vital timber industry jobs and production while supporting the state's recreation economy.

The benefits of these efforts to the Montana recreation and tourism economy run deep: active outdoor recreation activities generate \$2.5 billion in revenues annually to Montana's economy and support 34,000 jobs. Hunting, fishing and wildlife observation alone engage over 950,000 people in Montana each year that spend over \$1.1 billion in our local communities. The outdoor industry sector experiences gains from retail sales of gear and equipment while a myriad of other local businesses, restaurants and hotels see expanded sales and activity. These economic benefits of land conservation are not unique to Montana. They extend across the country to states, counties and towns where

LWCF funding is augmenting conservation and supporting local businesses and communities.

Enhancing access to the outdoors for active recreation – provided by the investments of the LWCF – directly supports local jobs across our communities and the recreation economy. If we are serious about creating jobs and getting the economy back on track, conservation spending on LWCF is not only a wise, but an essential investment. It reaps immediate and tangible benefits in our communities across the tourism, service and outdoor recreation sectors. Further, Forest Legacy investments not only promote sustainable forestry but also related job creation in restoration, infrastructure maintenance, and associated industries.

Mr. Chairman and members of the Committee, for these diverse reasons I join with the Land & Water Conservation Fund Coalition and many others across the nation in urging you to provide robust funding for LWCF in Fiscal Year 2012. We all understand the severe financial constraints under which you and this Congress are operating; at the same time, we recognize that America simply cannot afford to lose the natural, recreational, and other public opportunities that LWCF provides, or the activity it injects into the American economy. On a bipartisan basis, many members of this Subcommittee and throughout Congress recognize the critical importance of LWCF and of the current time-sensitive investments that are needed to maintain and expand public access to and enjoyment of the outdoors. Those clear needs also are expressed in the Administration's budget request for Fiscal Year 2012, which recommends full funding for the Land and Water Conservation Fund at the Congressionally authorized level of \$900 million. This funding level would fuel wise and necessary investments in high-priority, now-or-never, willing-seller projects within our national parks, wildlife refuges, forests, wild and scenic rivers, national trails, and other lands; in state-side LWCF grants to all fifty states and territories, enhancing our state and local parks and trails; and in non-federal protection of working forests, key wildlife habitat, and other irreplaceable outdoor resources

In this time of fiscal challenges, LWCF is an investment that simply cannot be deferred. Not only does it protect our most cherished, singularly American places, but at the same time it produces enormous, direct, tangible economic returns to communities across the country. As we all commit ourselves to America's economic recovery, as LWCF's offshore oil and gas revenues continue to flow into the treasury, and as land-use pressures increasingly jeopardize the economic, recreational, and other public values of our nation's outdoor resources, now is the time for LWCF. I therefore respectfully ask that you do all you can to fully fund this vital program. Thank you.

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Testimony of:
Mr. Jim Blomquist, Chair
The Wilderness Land Trust
Board of Directors



House Committee on Appropriations
Subcommittee on Interior, Environment, and Related
Agencies
April 2011

Chairman Simpson, Ranking Member Moran and Members of the Subcommittee, my name is Jim Blomquist and I am the volunteer Chair of the Wilderness Land Trust's Board of Directors. We are a small not-for-profit organization focused on protecting designated wilderness by working cooperatively with landowners who own private property within designated and proposed wilderness areas. We acquire such properties from willing sellers with the intent to transfer ownership to the United States.

Vital to the success of securing and preserving wilderness designated by Congress while treating private landowners within these areas fairly is the continued inclusion of modest funding for the Inholding Accounts of the four land management agencies within the Land and Water Conservation Fund. An appropriation of between \$3 and 5 million to each of the land management agencies, The Forest Service, the Bureau of Land Management, the Fish and Wildlife Service and the National Parks Service, will accomplish that.

Such funding will keep the promise of wilderness made to the American people and keep the promise made to private landowners within congressionally designated wilderness in the 1964 Wilderness Act, which authorizes the acquisition of privately owned lands within wilderness from willing sellers. Support for these accounts saves money, increasing agency efficiency and helps private landowners within federally designated wilderness and other conservation areas. It does not expand significantly federal ownerships or start new projects.

Within the boundaries of our federally designated Wilderness Areas are more than 400,000 acres of privately owned land. While the Wilderness Act defines Wilderness Areas as places where "the earth and its community of life are untrammelled by man, where man himself is a visitor who does not remain," private landowners rightly retain their rights to build roads, homes and other buildings,

The Wilderness Land Trust

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extend utilities, and extract minerals and timber. There are numerous cases, however, where such inholdings have been developed in ways that seriously degrade wilderness values on the adjacent public lands.

Such Inholdings within federal lands can create management inefficiencies that frequently exceed the cost of acquisition. A small annual appropriation, currently between \$2 and \$5 million per land management agency, solves these problems. They complete the commitment to acquire private lands from willing sellers surrounded or adjacent to federal lands designated for conservation. Such opportunities often occur only once a generation.

We are not asking Congress to undertake a new acquisition program, or significantly expand federal ownership. We ask that Congress continue and complete the wilderness preservation it has undertaken, and to provide to private landowners who wish to sell the opportunity to transfer their land within designated wilderness to public ownership.

As an example, in 1990 Congress designated the Hells Canyon Wilderness in Arizona, north of Phoenix. Within the designated wilderness were 640-acres of private land that included the Hells Canyon for which the area was named. The land was patented as a cattle ranch in 1922. It was owned by the same family for most of those years, having bought it from the original owner in the 1920's. After years of arguments and law suits with the Bureau of Land Management, the family sold it in frustration to a major real estate developer in 2007. Subsequently we were able to purchase the property and, in turn, sell it to the United States. Completed in 2009, this acquisition not only preserved the heart of the designated wilderness, it created the ability to construct a trail through the wilderness that was built by a youth conservation corps in 2010. The purchase also settled a 32 year conflict, law suit and management issue between the owners and the Bureau of Land Management. It would have been more efficient to have acquired the land when offered for sale many years before, than to expend funds litigating the access available to the property through the surrounded designated wilderness.

Another example of how critical inholding funds can be used involves the West Maroon Pass Trail that bisects the Maroon Bells/Snowmass Wilderness, which is reported to be the most heavily traveled trail in the National Wilderness Preservation System, enjoyed by visitors from throughout the country. The trail begins at the base of the Maroon Bells and covers about 12 miles until it reaches the west trailhead on a county road, north of Crested Butte, Colorado. In 2000 the land on which the west trail head was located was listed for sale. Much to everyone's surprise, including the Forest Service, the trailhead was on a 60-acre privately owned patented mining claim known as the Outwest Placer. The Wilderness Land Trust was able to acquire the property and subsequently transfer it to the Forest Service because Congress has historically appropriated funds into the inholding accounts of the Forest Service, as well as the Bureau of Land

Management, the National Parks Service and the Fish and Wildlife Service. The presence of these modest appropriations allowed the national treasure of the West Maroon Trail and the Maroon Bells/Snowmass Wilderness to be preserved for all to enjoy – without a public battle over access, or the expensive reconstruction and rerouting of the trailhead.

Such private lands exist within our wilderness areas as a result of 19th century congressional action to expand private ownership of public lands. Congress passed multiple Acts allowing for homesteads, mineral patents and timber patents. These 19th century land use patterns remain within now preserved lands and are inconsistent with the intent of Congress to preserve some of these lands as wilderness. Congress knew these lands were within designated wilderness when it acted to create the landmark National Wilderness Preservation System in 1964 and provided for their purchase from willing sellers in the 1964 Wilderness Act, and all subsequent wilderness designations.

It has been our experience that only about 5% of these lands are offered for sale every year. If the land management agencies are not able to acquire the properties when they are for sale, the lands are sold to another owner. It is no coincidence that only about 5% of these properties become available every year. It is because many of the offers for sale generally occur once a generation, about every 20 years. If the Agencies are not able to acquire the lands when offered, they are sold to yet another private owner who can develop that land governed only by local regulation, in whatever manner that owner believes is in his or her best interest. Some landowners are quiet users of the land, but many try to take advantage of the surrounding wilderness in ways that are inconsistent with wilderness land use that Congress intended when the area was designated.

For example, deep within the Kalmiopsis Wilderness of Oregon is a privately owned property known as Emily Camp. The mineral patents which make up Emily Camp are titled Little Chetco 1, Little Chetco 2 and Little Chetco 3. Together they total 60 acres. Although patented as a mining property, once patented, the land becomes private land like any other private land.

The current owner is trying to sell timeshares for \$65,000 each to recreational miners, bringing people onto the land with helicopters and attempting to dredge the nearby Little Chetco River, a designated Wild and Scenic River that is protected salmon spawning habitat, for gold. There are multiple threats of law suits concerning the use of the property and the legality of the tourist cabins and other facilities built by the owner on the Chetco Claims that comprise Emily Camp. There are allegations that vehicles are going off this property into the surrounding wilderness. When this owner wishes to sell, it will be critical to the congressionally designated Wilderness that surrounds the property, and to the designated Wild and Scenic River that abuts it that the United States be able to buy this land and protect the surrounding wilderness and river.

Appropriating funds for the inholding accounts within the Land and Water Conservation Fund preserves already designated wilderness and secures it for future generations. It also honors the commitment to those private landowners within designated wilderness that their land would be purchased at a fair market value when it came time for them to sell it. This was the understanding of private landowners when the public land that surrounds them was designated. That is what Bob Beck believed. Bob owned 160-acres of undeveloped land known as the Horse Pasture property, which was surrounded by the Ventana Wilderness in California. Bob loved the land and approved of the popular Forest Service trail that crossed it. The property had a legal road access and was coveted as a private retreat, or home site enhanced by the surrounding wilderness. Bob was a genial man, popular in the town of San Anselmo, where he lived and operated a small business. He knew that he had to sell the property to take care of his wife and son. Bob worked with The Wilderness Land Trust and we acquired the land in 2007. Bob did not live long enough to see the property transferred to the ownership of the Forest Service and included in the Ventana Wilderness he loved, but he did pass away knowing that the Trust would see to it that the property would be included into the surrounding wilderness and that he was able to provide for his family by selling his only real asset to the Forest Service for a fair price, rather than to someone who wanted to develop it.

The fitting conclusion of this story, and the rightful conclusion of many such stories throughout the United States – a landowner taken care of as promised by Congress and designated wilderness preserved – Such acquisitions can most easily and efficiently occur when the inholding accounts within the Land and Water Conservation Fund for the four land management agencies, the Forest Service, The Bureau of Land Management, the National Parks Service and the Fish and Wildlife Service, receive a modest annual appropriation. It is the efficient and cost saving thing to do. It is the right thing to do.

Recently the Trust was able to acquire three ranch properties in Idaho at the mouths of canyons designated in the 2009 creation of six wilderness areas known collectively as the Owyhees. These acquisitions provided needed access to the wilderness, solved longstanding ownership issues for the ranchers and helped implement the cooperative effort of ranchers and conservationists to implement the Owyhee Initiative. It could not have been done without a reliable and annual modest level of support from Congress for the Inholding Accounts within the Land and Water Conservation Fund.

Thank you for the opportunity to testify. We greatly appreciate your time and consideration and the support of the Subcommittee in securing these appropriations in recent years. I am happy to answer any questions at this time.

Written Statement of Alan Rowsome
Director of Conservation Funding at The Wilderness Society
before the U.S. House of Representatives Committee on Appropriations
Subcommittee on Interior, Environment, and Related Agencies
Regarding the FY 2011 Interior and Related Agencies Appropriations Bill
March 31, 2011

The Wilderness Society (TWS) represents more than 535,000 members and supporters who share our mission to protect wilderness and inspire Americans to care for our wild places. We thank the subcommittee for the opportunity to submit comments on the Fiscal Year 2012 Department of the Interior and Related Agencies Appropriations Bill.

We understand that tough budgetary decisions will need to be made in upcoming years, however, when deciding on funding that affects hundreds of millions of Americans, we must take into account the full economic, social, environmental and cultural value of the many programs managed by this subcommittee. Interior, Environment, and Related Agencies support millions of jobs, improve our infrastructure, encourage economic investment in local communities, keep our air breathable, our water clean and our wildlife and outdoor spaces protected, and in many ways make our country unique and prosperous.

Visitation to our public lands represents a hugely critical part of part of regional economies across the nation. Spending by forest, refuge, park, and BLM land visitors alone is over \$40 billion annually and sustains nearly 1 million full and part time jobs. In addition, conservation programs are pivotal to the success of the outdoor recreation industry, which contributes \$730 billion annually to the economy while supporting nearly 6.5 million jobs across the country.

To invest in these critical programs that provide jobs, and protect the health and economic well being of local communities, we urge bold, immediate action in support of conservation funding for Fiscal Year 2012. Specifically, TWS recommends:

Land and Water Conservation Fund

LWCF helps generate \$88 billion in annual state and national tax revenue along with generating \$289 billion annually in retail sales and services across the U.S. In addition, The Trust for Public Land has found that every \$1 spent on LWCF returns \$4 in economic value such as protecting water quality and supply.

The program is a critical tool to help land management agencies manage the public lands more efficiently. When strategic inholdings through LWCF are purchased, internal boundary line surveying can be reduced, as well as right-of-way conflicts and special use permits. These management efficiencies reduce agency expenditures. Private development can also substantially increase the potential for invasive species introduction and wildfires, which can lead to significant agency costs. Acquisition allows access by land managers, which fosters reduction or elimination of resource threats and management complications. Landowner/visitor conflicts and trespass issues can also be eliminated or reduced with strategic acquisition, enhancing visitation and its economic impacts and—importantly—allowing managers to focus their attention on other pressing needs.

BLM Onshore Oil and Gas Policy

The Administration has proposed the following laudable reforms of the BLM's oil and gas program, which TWS strongly supports:

- A fee on onshore federal operators designed to bring in \$10 million per year for the I & E program
- Continuation of the \$6,500 APD fee first approved by Congress for FY 10
- A \$4.00 per acre fee on non-producing onshore leases
- Repeal of Sec. 365 of EPACT which diverted lease rental revenues to fund the "Permit Streamlining Pilot Offices", and prohibits the BLM from charging APD fees (the latter provision in effect overridden by Congress in the FY 10 appropriations bill)
- Initiation of a new rule to raise royalty rates for federal onshore oil and gas leases, with a goal of raising oil and gas revenues by \$1 billion over ten years (royalty rates under consideration are not discussed in the budget proposal, however)

The BLM is implementing important management reforms of its oil and gas program that should lead to a better balance between oil and gas development on western public lands, and the protection of the many natural resource values that were put at risk by previous policies.

BLM Rapid Ecological Assessments

TWS supports completion of the BLM's initiative to develop Rapid Ecological Assessments. Once completed, these assessments will be of vital importance in assuring the BLM makes appropriate management decisions in conformance with its multiple-use mandate.

BLM's National Landscape Conservation System

The Bureau of Land Management's (BLM) National Landscape Conservation System (Conservation Lands) comprises some 27 million acres of congressionally and presidentially designated lands and waters, such as National Monuments, National Conservation Areas, and Wilderness. Stewardship of the Conservation Lands' many units provides jobs for thousands of Americans while supporting vibrant and sustainable economies in surrounding communities. The Conservation Lands provide immeasurable public values in return for modest investments: outstanding recreational opportunities, wildlife habitat, clean water, wilderness, and open space near fast-growing cities. Recent changes have improved clarity in the System's budget, but the System still suffers from a lack of prominence in the Bureau's budget structure and there is a real need for sub-accounts that reflect the diversity of the System's many units.

- *TWS' FY 12 recommendation is full budget clarity for the Conservation Lands - two new subactivities for National Scenic and Historic Trails and for Wild and Scenic Rivers. Although we have identified an overall need of \$100 million for the Conservation Lands' budget, we support the Administration's more modest proposal for FY12, a \$15 million increase over the FY 10 enacted level.*
- *Restore the Challenge Cost Share Program at full funding of \$19 million. This is a cross-cutting program within DOI, which provides a 1:1 match for volunteer activities.*

Renewable Energy

TWS is a strong proponent of transitioning our country to a sustainable energy economy by developing our renewable energy resources quickly and responsibly. We believe renewable energy is an appropriate use of the public lands when sited in areas screened for habitat, resource, or cultural conflicts. As such, we are supportive of the request for a \$14.2 million increase for

renewable energy programs across Interior, bringing the FY 11 request to \$73.3 million. TWS is pleased that DOI's request is consistent with the principle of both protecting lands and installing energy facilities, as seen in the proposed \$3 million increase over the \$16.1 million enacted in FY 10, for project-level environmental review. With these expanded resources, TWS hopes the Department will see fit to clearly document policies for thorough and expedient environmental review, suitability screening, energy zone identification, and fair return for taxpayers.

National Wildlife Refuge System Funding

An analysis compiled by the Cooperative Alliance for Refuge Enhancement shows that the Refuge System needs at least \$900 million in annual operations and maintenance funding to properly administer its 150 million acres, educational nature programs, habitat restoration projects, and much more. We appreciate the Subcommittee's vision and leadership while providing funding increases in FY 08-FY 10. We urge the Congress to build upon these important steps toward restoring the Refuge System by considering our request in the FY 12 budget. *To reach this goal, TWS recommends providing \$511 million in FY 12 for the Operations and Maintenance of America's National Wildlife Refuge System.*

National Forest Funding

This year, the administration will finalize a new forest planning rule and begin the process of revising forests plans across the nation. A massive backlog of forest plan revisions that has built up over the last decade will put incredible demands on related budgets. Accordingly, *Inventory & Monitoring and Land Management & Planning should be funded at \$172.5 million and \$50.9 million, respectively, in FY 12.* In addition, the nearly completed travel management process has worked to provide safe and reliable off-road vehicle access, minimize user conflict, and protect resources. Congress should support implementation of these travel management plans.

TWS appreciates the administration's efforts to shift forest management priorities from timber extraction to restoration. However, we have continued concerns about the effects of the Integrated Resources Restoration (IRR) proposal which would collapse three important programs into one, and how it would affect agency accountability for forest health and restoration. In addition, a key element of restoration will be to "right-size" the forests' massive and decaying road system, which is a major threat to the drinking water of over 3,400 communities and has resulted in ecosystem degradation and a more than \$4 billion road maintenance backlog. The Forest Service officially began this process in November 2010, but it is up to Congress to provide the necessary resources, particularly through the Legacy & Trails program. To achieve forest restoration goals in FY 12, TWS recommends:

- *The Forest Service receive congressional direction to develop a restoration plan that is rooted in the latest science and includes input from the public;*
- *The Collaborative Forest Landscape Restoration Program is fully funded;*
- *Congress continues its commitment to reduce fire risk to communities by funding the two State Fire Assistance programs at \$150 million, collectively; and*
- *Congress funds the Legacy Roads and Trails program at \$90 million.*

Forest Legacy Program

The Forest Service's Forest Legacy Program (FLP) provides matching funds to assist states in conserving private working forests - those that provide an array of environmental services and

products. These include clean air, clean water, carbon sequestration, a variety of critical fish and wildlife habitats, recreational opportunities, and timber and other forest products. Since its inception, the Forest Legacy Program has provided over \$500 million in matching funds to 43 states and territories for the conservation of over 2 million acres of forests valued at over \$1 billion. The program's federal-nonfederal leveraging ratio well exceeds the program's required 75-25 match and shows the tremendous support for the program in communities in almost every state in the nation. *The FY 11 President's budget proposed \$100 million and the FY 12 budget proposes \$135 million. We urge Congress to support the President's budget level for FLP in FY 12 to ensure the permanent conservation of important working forests across the nation.*

The Community Forest and Open Space Conservation Program

The Community Forest Program will give communities, tribes and non-profits 50-50 matching grants to acquire forest areas that are economically, culturally, and environmentally important to that locality and threatened by conversion to non-forest uses. This program provides federal grants directly to local governments and non-profits exclusively for full fee acquisition, not conservation easements, and the program's criteria are built around evaluation of a project's community impact even above its natural resource value. *The President's FY 12 Budget includes a \$5 million request for this program which will provide the agency with funds at the scale necessary to implement the program through project matching grants.*

Fire Funding – USDA Forest Service and DOI

The FLAME fund is intended to fund suppressing high-cost fires during the fire season and be accessible when annual suppression funds are nearly exhausted. The FLAME fund also requires the administration to report to Congress quarterly on the status of the fund, which would provide appropriators the opportunity to replenish the fund as needed. The purpose of the fund is to eliminate the need for the Forest Service to transfer funds from non-fire programs – a practice that has too often led to disruptions in program implementation. *TWS recommends maintaining FY 10 level for both the Forest Service and DOI FLAME funds. Additionally, Congress must continue to stress to the Forest Service the need to replace the 10-year rolling average estimate with a more predictive statistical modeling approach for calculating emergency and annual suppression estimates.*

Council on Environmental Quality

CEQ serves as the principal environmental policy advisor to the President. CEQ has broad statutory responsibilities for advising the President in the development of environmental policies and legislation; assessing and reporting trends in environmental quality and recommending appropriate response strategies; and overseeing implementation of NEPA. Additionally, CEQ has a lead role in facilitating the development and permitting of utility-scale renewable energy projects – projects which will reduce foreign energy dependence and create jobs. CEQ thus plays a critical role in developing and implementing the Nation's environmental policy, but currently it is severely understaffed. CEQ's staff ranged from 50-70 in the 1970s and '80s in both Republican and Democratic Administrations, but it is currently staffed by only 24 FTEs. *Additional resources are critical and TWS recommends a modest increase of \$285,000, which would allow for approximately 2 additional staff and only increase its overall budget to 4.4 million dollars. This small investment will make a substantial difference.*

Statement of Thomas C. Kiernan, President, National Parks Conservation Association,
Subcommittee on Interior, Environment and Related Agencies, House Committee on
Appropriations

Regarding the Department of the Interior and Environment Appropriations Act, 2012
March 28, 2011

Mr. Chairman, Ranking Member Moran, and members of the subcommittee, I am Tom Kiernan, President of the National Parks Conservation Association. I appreciate the opportunity to testify on behalf of NPCA's more than 345,000 members to present our views regarding appropriations for the National Park Service for Fiscal Year 2012.

Mr. Chairman, we truly understand and appreciate the enormity of the challenge you face in attempting to set reasonable, responsible spending priorities when the imperative of significantly reducing the overall level of federal expenditures is driving the nation's political discourse and agenda. We want to thank you for the care you have taken with the national parks so far, and especially the money they need to operate and meet basic, fixed operating costs. We know and appreciate that you will do the best you can for the parks under the circumstances; and you know we probably will say it is not enough. I would like to take this opportunity to re-articulate the arguments and bolster the record as to why providing sufficient and even increased levels of funding for the National Park System must continue to be a national priority.

Ronald Reagan called America's national parks, "the envy of the world." Franklin Roosevelt said, "there is nothing so American as our national parks." Created by Congress for the benefit and use of all our citizens, national parks are - like national defense - inherently and fundamentally a federal responsibility. While park friends groups and private philanthropy contribute a good deal for the benefit of several specific parks and units in the system, there is simply no viable alternative to federal appropriations to maintain these places that Congress itself determined to be the most precious and important to America's story and way of life, intact and operating.

The annual budget of the National Park Service amounts to less than 1/13th of 1% of the overall budget of the United States. Clearly the Park Service must re-examine its priorities and very carefully manage its financial resources to address new budget realities. We recognize that, as of the date of this testimony, you have been able to spare the critical operations account for our national parks. However, National Park Service programs have already been cut by \$100 million—reductions to beneficial, worthy and needed endeavors. At this point, there simply is no fat to cut out before starting to remove muscle and bone.

Park Operations: Adequate funding for park operations remains the top priority for NPCA.

The federal budget and appropriations process has been a roller-coaster ride for the parks over the past twelve years. The operations budget for the National Park Service was short-changed by multiple administrations and congresses until the annual operating shortfall reached more than \$800 million in FY07. The result: a growing crisis with missing rangers, shuttered visitor centers, dirty or un-operational restrooms, deteriorating landscapes and historic artifacts, dangerous or crumbling roads and trails, and reduced interpretive and educational programs – in short, eroding resources and diminishing services for millions of park visitors.

For FY08, with the 100th anniversary of the Park Service and the creation of the modern National Park System approaching in 2016, the Bush administration heeded our call and initiated what was envisioned as a sustained, 10-year program of incremental, \$100 million annual operations increases intended to erase the operating shortfall and to put the national parks in their best possible condition in time for the centennial. This Centennial Initiative was supported by both parties in Congress—particularly the members of this subcommittee—and was continued through the next two budget and appropriations cycles, which included the transition to a new administration. Some adjustments were made in other sections of the Park Service budget to accommodate the operations increases, but things were still underway for putting the parks in healthy shape by 2016. While this infusion enabled parks to re-employ thousands of people needed for resource protection, maintenance, law enforcement, and visitor services, it still leaves an annual operations shortfall today of more than \$600 million. That shortfall allows virtually no room for error or unforeseen natural catastrophes or circumstances such as unexpectedly large increases in the price of fuel and other fixed costs.

NPCA strongly believes the trajectory begun in FY08 – annual operations increases of \$100 million plus fixed costs, carried forward by two presidents and recommended by the National Parks Second Century Commission – should be continued. While the operations increases Congress approved for FY08-FY10 have made a difference, the gains that were made can easily be lost. It is also important to put them in context. As significant as they were, by FY11, overall NPS funding had reached the same level in real dollars as had been appropriated in FY02.

A National Park System that is well managed, with park personnel who are well-trained, park resources that are protected, and visitors who are safe and well-served, requires investments by Congress. It is, of course, not a perfect world. We understand the reality of maintaining that trajectory in this fiscal climate, but at a bare minimum, we need to keep up with fixed costs so the hard-won progress of the last few years is not erased, and so we don't find ourselves, once again, in the kind of crisis our parks and their visitors saw only a few short years ago.

Multiple studies show that every dollar invested in the national parks, at least four dollars is generated in economic value to the public. These reliable economic engines contribute \$13.3 billion annually in local, private-sector economic activity and support nearly 270,000 private

sector jobs. For example, on March 14 the Idaho Statesman published an article citing a new study by Headwaters Economics of Bozeman, Montana, that shows the local areas around Yellowstone have 5,155 jobs tied to the park, with visitors spending \$302 million in 2009. City of Rocks creates 86 jobs, and generated \$6.4 million in visitor spending in the local area for 2009. Craters of the Moon supports 104 jobs and created \$5.8 million in visitor spending in Idaho in 2009. In short, spending on the national parks creates American jobs.

There is a lot of talk on Capitol Hill these days about what the American people want and what the American people expect. Those phrases are thrown around on both sides of the aisle, often without much empirical evidence. The American people are visiting our national parks more than ever, with more than 280 million visitors last year. That is more than 4 million above the average of the previous five years. The American people's great love affair with their national parks spans time, region, economic status and political persuasion. It is not diminished by the condition of the economy. A recent Harris poll found the National Park Service to be the federal entity most admired by the American people, even edging out the Armed Forces and Social Security. Another recent poll shows that nine out of ten Americans have visited a national park and more than six out of ten have done so in the past two years. A bipartisan majority of Americans (73%) believe it is important that the parks are fully restored and ready to serve the country for another hundred years in time for the national park centennial in 2016. Despite concerns about the economy and the federal budget, 88% of Americans say it is extremely or quite important to protect and support the national parks. Few issues enjoy such widespread agreement and bipartisan support among the American people.

Land and Water Conservation Fund (LWCF): NPCA supports full funding for LWCF, though we understand how difficult it would be for this subcommittee to achieve this when faced with a shrinking allocation. We believe in the healthy, rewarding recreational opportunities and the completion of existing national park units the LWCF was envisioned to provide. Though we respect that the subcommittee may not view full funding as realistic in this fiscal climate, LWCF should not be drastically reduced to the point recommended, for example, in HR 1. Arguing that no funds for land acquisition under LWCF should be provided to the Park Service until the maintenance backlog is eliminated is comparing apples to oranges.

Removing privately-owned inholdings from within park boundaries and completing parks will actually make their administration and resource management more efficient and cost effective, thereby freeing up money for other needs. Removing inholdings often improves things like invasive species control and water quality, reduces wildfire risks, removes obstacles to recreation and to wildlife management, and facilitates conservation of historical resources. In most instances, completion of specific parks by purchasing certain inholdings has been directed by Congress. Right now, there are many willing sellers and with real estate prices at rock

bottom, this is an ideal time for the Park Service to acquire critical inholdings before they are lost forever to incompatible development. The longer we wait and the more pressure for incompatible development, the more expensive the land becomes. It is a far more complicated proposition than simply opposing or supporting the expansion of federal holdings or the size of the federal government; LWCF is part of successful management of our national parks.

The deferred maintenance backlog: The backlog is attributable to chronic funding deficiencies in several categories, including operations, construction and transportation. These deficiencies have forced park managers to make unfortunate choices between what needs to be done and what absolutely must be done immediately to keep the parks up and running and visitors satisfied and safe. It would be one thing if Congress specifically required revenue that would otherwise legally be directed to the LWCF to be used for a period of time to eliminate the maintenance backlog, but that is not the tradeoff that is offered. Unfortunately, new funding reductions and prudent management decisions necessitated by budget uncertainty over the recent past have resulted in an increase in the maintenance backlog from roughly \$9 billion last year to nearly \$11 billion today. Clearly that is a move in the wrong direction, and at current levels of investment, the backlog will continue to increase in perpetuity. The longer needed repairs and maintenance to facilities is put off, the more expensive and difficult they become.

With our nation facing deficits, identifying savings is an important priority, but is not the only priority. Even if Congress were to eliminate every dollar of discretionary spending tomorrow, the deficit would continue to grow. The National Park System is about more than America's past; it's about our future, as the story of this great nation and our experiment in democracy continues to unfold.

One- thirteenth of one per cent! If even this fundamental federal responsibility cannot be met, it may mean nothing less than losing some of these national resources – resources important to understanding where we came from, how we got here and where we are going - forever. The future of our way of life and the shared values that define it will be diminished.

Is it important for the next generation of Americans to know what happened at Gettysburg? Should they understand the hardships faced at Valley Forge by the volunteer militia fighting to give birth to a new nation? Should they have a chance to see - really see, not just in cyberspace - what a buffalo looks like in the wild, or know the wonder of Old Faithful erupting, or learn to catch a fish? Should they still remember those who bravely died at Pearl Harbor or on Flight 93? Is it important that the lofty Lamp of Liberty shines on in New York Harbor, a beacon of freedom and opportunity, reminding of our values, for generations to come? The responsibility for that future lies with this subcommittee, and future generations are depending on you and your colleagues to leave them a future enriched by these American treasures.