United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, DC 20240

JUN 3 0 2015

The Honorable Lisa Murkowski
Chairman
Committee on Energy & Natural Resources
United States Senate
Washington, D.C. 20510

Dear Chairman Murkowski:

Enclosed are responses prepared by the Bureau of Ocean Energy Management to questions submitted following the Committee's May 19, 2015, legislative hearing on *"Energy Supply Legislation."*

Thank you for the opportunity to provide this material to the Committee.

Sincerely,

Christopher P. Salotti
Legislative Counsel
Office of Congressional and Legislative Affairs

Enclosure

cc: The Honorable Maria Cantwell
Ranking Member

U.S. Senate Committee on Energy and Natural Resources
May 19, 2015 Hearing: Energy Supply Legislation
Questions for the Record Submitted to Ms. Abigail Ross Hopper

Questions from Chairman Lisa Murkowski

Question 1: The proposed Arctic rule is just one example of regulations affecting the offshore oil and gas industry; there is also the well control/blowout preventer rule, proposed changes to the valuation of oil, gas and coal that would be significant for offshore facilities. I greatly appreciate Senator Cassidy's inclusion in S.1276 of a requirement for a GAO report on the cumulative impact of regulations on offshore development — does the Bureau of Ocean Energy Management consider the cumulative impact of these rules, not just on operations, but on the value of lease sales and subsequent bonus bids?

Response: Regulatory impact analyses should monetize forgone benefits to the extent possible, as described in OMB Circular A-4. The analysis conducted by BOEM and the Bureau of Safety and Environmental Enforcement (BSEE) of potential costs and benefits of the recently proposed Arctic Rule do not anticipate that the proposed requirements, or their associated costs, would prevent lessees and operators from conducting exploratory drilling on their leases. Therefore, BOEM did not evaluate the impacts on the value of lease sales and bonus bids in the proposed rule. However, pending review of the information included in public comments on the proposed regulatory impact analysis, BOEM may include such costs in the final rule.

Question 2: On March 7, 2013, during a full Committee hearing, I asked Secretary Jewel for a commitment to work with us to try to put together a bipartisan proposal with respect to revenue sharing that could bring together, all across the country, communities where there's Federal land and Federal water – Secretary Jewell stated: "Senator, I'd be delighted to work with members of this committee on that important proposal. As I met with a number of the Senators that are present here, I appreciate the different perspectives on revenue sharing. I appreciate the importance of a strong economy in our communities that feel both the impacts as well as the economics of oil and gas development and other mineral developments. I think revenue sharing is clearly a very important topic that deserves some attention from the Department of Interior as well as this body." Instead of attention and collaboration, I have seen simply opposition. What have you done at BOEM to follow up on the commitment Secretary Jewel made during her confirmation?

Response: As stated by the Secretary in a response to a Question for the Record from the March 7, 2013, hearing, "I believe that the Department, as steward of our public lands and waters and through rigorous dialogue with stakeholders, must strike the right balance of meeting the interests of local communities and the public owners of these resources as we advance the President's ''all of the above'' energy strategy." The goal is to direct offshore energy revenue to programs that provide broad natural resource, watershed, and conservation benefits to the Nation; help the Federal government fulfill its role of being a good neighbor to local communities; and support other national priorities. This goal does not exclude affected states from receiving shared revenue.

Specific to BOEM, the bureau has worked with Members of the Committee and Congress to provide useful information on potential revenue sharing proposals, including the development of hypothetical maps and revenue projections under various revenue sharing scenarios.

Question 3: Ms. Hopper, in your testimony you stated that the Department of the Interior cannot support any of the three Outer Continental Shelf bills discussed at the hearing because they do not provide, "Secretarial discretion to determine whether those areas are appropriate for leasing through balanced consideration of factors such as…State and local views and concerns." Please clarify if it is, in fact, the position of the Department of the Interior that unelected agency officials are better suited to consider state and local interests than duly elected Members of Congress?

Response: Pursuant to Section 18 of the Outer Continental Shelf Lands Act, there are eight factors that the Secretary must consider in determining the size, timing, and location of leasing, one of which is the laws, goals, and policies of affected States. As required by Section 18(c)(1), BOEM sent letters to the Governors of all 50 states requesting their suggestions and asking them to identify any relevant state laws, goals, and policies for the Secretary's consideration in developing the 2017-2022 Oil and Gas Leasing Program. Additionally, BOEM has received comment letters from Members of Congress throughout the early development of the 2017-2022 Program. Each comment from a Member is reviewed and officially recorded to ensure their comments remain an active part of the process. Concurrently, BOEM has conducted many scoping meetings in affected states to gather valuable input from all stakeholders. The three Outer Continental Shelf bills discussed at the hearing call for circumventing this important provision of Section 18.

Questions from Senator Joe Manchin

Question 1: Has the Bureau of Ocean Energy Management worked with DOE to assess the ability of storing CO2 in offshore geologic reservoirs? There is a lot of oil and gas being developed offshore – have you looked into potentially using those depleted sites as a medium for storing CO2?

Response: Yes. A BOEM study published in 2012, titled *Analysis of the Costs and Benefits of CO2 Sequestration on the U.S. Outer Continental Shelf*, incorporates data and assessments found in DOE's National Carbon sequestration database and geographic information system (NATCARB). OCS Study BOEM 2012-100 can be found at http://www.boem.gov/uploadedFiles/BOEM/Oil_and_Gas_Energy_Program/Energy_Economics/External_Studies/OCS%20Sequestration%20Report.pdf

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JUN 19 2015

The Honorable Lisa Murkowski
Chairman, Committee on Energy and Natural Resources
United States Senate
Washington, D.C. 20510

Dear Chairman Murkowski:

Enclosed are responses prepared by the Department of the Interior in response to questions received by the Department following the March 12, 2015, hearing before your Committee regarding S. 556, the Bipartisan Sportsmen's Act of 2015.

Thank you for the opportunity to provide this material to the Committee.

Sincerely,

Christopher P. Salotti
Legislative Counsel
Office of Congressional
and Legislative Affairs

Enclosure

cc: The Honorable Maria Cantwell
Ranking Member

Senator Murkowski

Question 1: I appreciate your comments regarding the language and appreciate your support for what we are intending to do. That will be helpful as we go forward.

According to your testimony, BLM land use planners are specifically required under the Federal Land Hunting, Fishing, and Shooting Sports Roundtable MOU, to contact over 40 hunting and fishing interests to help ensure that hunting and fishing activities are fully considered in the development of resource management plans. How does that work in practice at the state and local level?

(a) Can you give me specific examples?

Hunting, fishing, and recreational target shooting are popular uses of the lands managed by the Bureau of Land Management (BLM), and they are core elements of our multiple use and sustained yield mandate. As a result, we welcome the participation of the hunting, fishing, and shooting communities in the development of Resource Management Plans (RMPs), and we actively conduct outreach to ensure their participation. First and foremost, our managers at all levels in our organization reach out in person to our stakeholder groups on all issues of interest, and particularly in the development of our RMPs where we provide multiple opportunities for stakeholder involvement. Our offices reach out to hunting, fishing, and shooting groups through a variety of traditional techniques – mail and email – as well as via the web and new media.

BLM Field Offices maintain current mailing and contact lists for local and state agencies, sportsmen's clubs, private businesses, non-profits, individual interested stakeholders, and other entities to help ensure that hunting, fishing, and shooting stakeholders are notified of opportunities to comment on pending RMPs so that these activities may be fully considered in the development of resource management plans and other planning efforts. Field offices further engage with over 40 national non-governmental organizations under the Federal Land Hunting, Fishing and Shooting Sports Roundtable Memorandum of Understanding. In addition, the BLM Washington Office liaison to the Roundtable reviews Federal Register Notices that could affect hunting and shooting opportunities and participates in the review of draft resource management plans (RMPs).

(b) What procedures do you use to inform the public that an agency action regarding closures or restrictions is going to have effects on hunting, fishing and recreation?

The BLM Planning for Recreation and Visitor Services Handbook (Handbook 8320-1) specifically identifies shooting closures as land use plan-level decisions. The development or amendment of land use plans requires extensive public involvement, as explained below.

Other temporary closures or restrictions may be proposed/implemented outside of a land use planning process; however, those closure must comply with the applicable regulations, and BLM policy, including Instruction Memorandum No. 2013-035, Requirements for Processing and Approving Temporary Public Land Closure and Restriction Orders. Such temporary closures or restrictions are usually no more than 24 months, must be fully analyzed in an appropriate

National Environmental Policy Act (NEPA) document, include public involvement, and be published in the Federal Register.

Closure and restriction orders that may affect hunting access, shooting sport activities, or the discharge of firearms must also comply with the Federal Land Hunting, Fishing and Shooting Sports Roundtable Memorandum of Understanding (MOU). This MOU requires the BLM to notify shooting organizations of the proposed actions and inform them of opportunities for public involvement consistent with BLM Instruction Memorandum 2014-131, Implementation of the Federal Lands Hunting, Fishing and Shooting Sports Roundtable MOU.

(c) In your testimony, you indicate "any determination to permanently close public lands to certain activities is made following extensive public involvement. What does extensive public involvement mean? Can you give examples?

Permanent closures are generally established in RMPs, which are developed through a collaborative and public process. Public involvement is provided at multiple points in the planning process, including the initial identification of planning issues through public scoping, an opportunity to review and comment on a draft RMP, and an opportunity to protest the proposed RMP before a final decision is made by the BLM. In many cases, additional opportunities for public involvement occur throughout the process, such as public meetings, field tours, and ongoing discussions with BLM offices. The land use planning process occurs over several years, and managers work hard to ensure adequate opportunities for input are available for members of the public who may have varying interests, schedules, and locations.

For example, a temporary closure in the Lake Mountains of the BLM's Salt Lake Field Office in Utah involved one of the office's biggest urban interface areas. Over 20,000 people per year visit the area, and nearby suburban development led to concerns about public safety, wildfires, dumping, cultural resource damage, and property damage. In 2012, the field office implemented a temporary closure for target shooting on about 900 acres. The field office is addressing more intensive management of target shooting over a larger area through a land use plan amendment. The Field Manager and staff have been actively engaged with local, county, state and federal entities in creating a successful ongoing collaborative process. The office has reached out to the Federal Lands Hunting, Fishing and Shooting Sports Roundtable, congressional and state government officials, tribal leaders from six tribes, Utah County Commission, elected city officials from Eagle Mountain City and The City of Saratoga Springs, general media, cultural resources preservation organizations, private landowners adjacent to the proposed planning area, the recreating public, and BLM's Utah Resource Advisory Council for feedback on potential management actions.

Similarly, Table Rocks Management Area in the BLM's Butte Falls Resource Area in Oregon is cooperatively managed with The Nature Conservancy, Confederated Tribes of Grand Ronde, and Cow Creek Band of Umpqua Tribe of Indians. To facilitate the management of resources in that area, temporary target shooting restrictions were necessary to protect important cultural, historical, wildlife, and botanical resources on newly acquired and existing lands until long-term solutions could be addressed through a planning process and the establishment of supplementary rules for the area. During the development of the RMP for the area, BLM discussed hunting and

firearm issues with local representatives from the Oregon Department of Fish and Wildlife, Rocky Mountain Elk Foundation, the Roundtable, The Nature Conservancy, local homeowners, Oregon Hunters Association, and many other entities.

Question 2: How does BLM define "commercial" for the purposes of issuing a permit? While the Department of the Interior's regulations adopt a broad definition of commercial filming, there are exceptions which ensure that the permitting and fee requirements do not impose an unreasonable burden.

Under the regulations, commercial filming includes the "film, electronic, magnetic, digital, or other recording, of a moving image by a person, business, or other entity for a market audience with the intent of generating income. Examples include, but are not limited to, feature film, videography, television broadcast, or documentary, or other similar projects. Commercial filming activities may include the advertisement of a product or service, or the use of actors, models, sets, or props" (43 CFR §5.12). While commercial filming activities are generally required to obtain permit, most still photography is exempt from this requirement unless: (i) it uses a model, set, or prop; or, (ii) the agency determines a permit is necessary because a proposed location is in a closed area or the agency would incur costs for providing oversight. Practically, this means that a photographer shooting an engagement photo in an area otherwise open to the public without any props would not need a permit even though she was presumably getting paid. The other important exception relates to news gathering activities. They do not require a permit unless: (a) one is necessary to protect natural and cultural resources, avoid use conflicts, ensure public safety, or authorize entrance to closed areas; and, (b) getting one does not interfere with news gathering (43 CFR 5.4(a)).

The requirement that other commercial activities outside of these exceptions obtain a permit is consistent with Public Law 106-206, which directs Federal land management agencies in DOI and USDA to collect a "fair return" for the use of the lands they manage. With respect to smaller groups that are required to get a permit, the recently issued fee schedule establishes a sliding scale linked to a group's size.

By way of illustration, in 2015 BLM's Red Rock/Sloan Canyon Field Office approved the filming of a television series in the Red Rock National Conservation Area. The production involved 10 vehicles, 1 trailer, and 3 cameras. The BLM processed the permit in 10 days; total fees assessed were $1,034. The BLM's Arizona Strip Field Office processed a permit to film landscapes in the Vermilion Cliffs National Monument as part of a documentary series for the Love Nature Channel in Canada. The permit was processed in 15 days; total fees assessed were $392. Finally, in the last month, BLM's El Centro Field Office issued two permits – one for a music video involving a crew of 30 people, and one for a major motion picture involving a crew of 150. The former was processed in 3 days; total fees assessed were $371. The latter was processed in 35 days; total fees assessed were $38,525.

Question 3: Would BLM consider establishing a deminimus number of people below which a permit and fee would not be required?

As explained above, on public lands smaller operations typically pay reduced application processing and location fees. Their applications are also likely to be simpler to prepare and process because less information would be necessary for activities that are smaller in scope. It is important that all commercial filming activities, no matter the size of the operation, be managed to avoid disruption to visitor activities and damage to natural and cultural resources. Larger operations (e.g., a major motion picture shoot) routinely require a bond, an onsite filming monitor, and additional permit stipulations that would not typically be required for smaller film crews. Large productions and requests to film outside popular locations will also usually require an onsite pre-application conference with the relevant BLM personnel.

With respect to other smaller scale activities, the Department's regulations contain a number of exemptions from the permitting requirement that capture a number of *de minimis* activities. As explained above, still photography and news gathering activities generally do not require a permit except under the specific circumstances identified in the regulations (43 CFR 5.2(b)).

Senator Barrasso

Question 1: One of the primary goals of the *Bipartisan Sportsmen's Act of 2015* is to provide access and availability for citizens to visit public lands. Roads and trails are one of the principle ways the public accesses public lands. One measure of how accessible the BLM administered lands are is to understand how many miles of non-motorized and motorized trails and roads are available to the public.

a) How many miles of non-motorized and motorized trails and roads currently exist within BLM managed lands? Please break it down by each area covered by a Resource Management Plan.

The BLM does not currently have a national database that can provide a definitive answer to this question; however, we estimate that there are currently approximately 520,000 miles of roads and trails on BLM-managed lands that are available for public use. The BLM is currently conducting travel management planning at its local field offices in the highest priority areas. This process involves a thorough inventory and evaluation of the existing travel route system in an area which results in the designation of the routes that achieve the goals and objectives in the local RMP. This is a locally-based process that involves extensive public involvement on the part of the nearby communities, their elected local representatives, and other interested parties.

b) Over the past 10 years, has there been an increase or decrease in the total number of non-motorized and motorized trails and roads in the RMPs?

Management for recreational use of trails and roads is a key consideration for BLM managers, who work closely with off-highway vehicle, mountain biking, equestrian, and hiking groups to develop and maintain roads and trails for recreational use. As the BLM works to develop travel management plans for the lands under its jurisdiction, the BLM inventories and evaluates existing travel routes to identify and designate roads and trails for public use. In some cases the travel management planning process leads to a reduction in the overall number of routes that are

available for public use. This reduction occurs primarily because the existing route system in some areas was not developed as a planned system to meet recreational objectives, but arose as an ad-hoc network of routes created by the various uses of the land over many decades. In some cases the route inventory identifies duplicative routes and routes that have significant and unsustainable impacts on sensitive resources.

BLM leadership encourages local travel management planning staff to consider a wide array of options in partnership with their respective local communities when developing a travel management plan; including the option to add new routes if that is the best way to meet the goals and objectives of the RMP related to recreational use and access. The intended outcome is to have a travel and transportation network that provides necessary public and commercial access to the public lands and minimizes impacts to sensitive resources.

c) If the number of miles of trails/roads to the above questions is not available, how does the agency account for taxpayer dollars allocated for motorized and non-motorized access issues before Congress?

The BLM has, to date, completed travel management plans for approximately 25% of the lands it manages. It is anticipated that it will take many years, given the current budget environment, to complete travel management planning for all BLM-managed lands. The BLM receives no funding specifically for motorized and non-motorized access. Travel and transportation management planning is usually funded through a combination of base appropriated funding sources, which have a wide range of responsibilities beyond access and travel management. The Bureau has a national strategy to prioritize travel management over the next five years, which is intended to make the most efficient use of the limited resources available for this work.

Senator Flake

Question 1: Eighteen national monuments have been designated in Arizona, more than any other state. Please identify the nature and extent of hunting, fishing, and recreational shooting restrictions (either enacted or proposed) on the eighteen designated monuments in Arizona.

The National Park Service (NPS) manages 13 national monuments in Arizona. While the NPS does manage a number of national monuments in other states where hunting or fishing are allowed, none of the NPS national monuments in Arizona allow hunting, fishing, or recreational shooting. Nearly all of the NPS national monuments in Arizona were designated because they are significant cultural or historical sites. There are several other non-monument areas in Arizona managed by the NPS that do allow both hunting and sport fishing, including portions of Glen Canyon National Recreation Area and Lake Mead National Recreation Area.

Of the five monuments in Arizona managed by the BLM, all of them are open to hunting and fishing, and three are open to recreational target shooting.

Question 2: Is the Department working with the President to prepare a monument designation for the Grand Canyon watershed? If so, what restrictions on hunting, fishing, and recreational shooting are being considered as part of that proposal?

While there are no current plans to designate monuments in Arizona, the Department has engaged in robust consultation with national, state, local, and tribal stakeholders prior to the designation of each monument, in keeping with the President's commitment.

Question 3: As noted during the hearing, a crossbreed of cattle and buffalo commonly referred to as "beefalo" or "cattalo" has found sanctuary in the Grand Canyon National Park. The herd is estimated at approximately 600 head, and, from what I have been told, the destruction of resources and archaeological features in the Park is a concern. What is the status of the bison management plan and environmental impact statement being prepared by the Grand Canyon National Park, the BLM, USFS, and the Arizona Game and Fish Department?

Grand Canyon National Park is currently in the process of developing the alternatives for the Bison Management Plan Draft Environmental Impact Statement. The park expects to have the draft plan out for public review and comment in the winter of 2016.

Question 4: The resource destruction caused by the bison at the Grand Canyon National Park is not a new phenomenon. In fact, similar issues have arisen at Rocky Mountain National Park with elk herds. Please provide information on the costs incurred by the federal government to hire professional sharpshooters to cull such animal populations?

These decisions are made on an individual basis at each park based on park resources and public safety issues. The NPS has typically used professional sharpshooters to cull whitetail deer in parks in the eastern United States, e.g. Rock Creek Park, Catoctin Mountain Park. Professional sharpshooters were also used at Channel Island National Park to cull elk and mule deer on Santa Rosa Island. At Rocky Mountain National Park and Theodore Roosevelt National Park, skilled volunteers were utilized to cull elk. Contracts for professional sharpshooters are handled by each park individually, so the NPS cannot readily provide a national-level average or total cost associated with this tool. We would be happy to provide more information about the costs for individual park units.

Question 5: Please identify the legal impediments to using skilled volunteer hunters to assist in culling animal populations and meeting management goals. Specifically, what legal impediments are precluding the Arizona Game and Fish Department from allowing licensed volunteer hunters to assist in managing the bison population at the Grand Canyon?

The NPS has the legal authority to use skilled volunteers to cull wildlife, and has successfully used skilled volunteers to cull elk at Rocky Mountain National Park and Theodore Roosevelt National Park. This authority was challenged at Rocky Mountain National Park and was upheld in courts.

The Bison Management Plan/Environmental Impact Statement for Grand Canyon National Park will consider the full suite of tools for managing wildlife, including lethal removal, or "culling" of bison as an option for reducing bison density in the park. The use of skilled volunteers in the culling operation would be part of the analysis. If the final plan includes the use of skilled volunteers in a culling operation, the NPS would collaborate with AGFD on implementation, including the requirements and protocols for selecting volunteers, and would follow applicable federal laws and regulations with regard to disposition of carcasses. Existing laws and regulations have been used in other parks to allow for the transfer of meat to state residents and tribes.

Question 6: Does the Bureau support using skilled volunteer hunters to manage herds such as the bison at a lower cost to the federal government?

The NPS has several tools available for directly managing ungulates to meet resource management objectives including hunting (in parks where it is mandated or authorized by Congress), and culling using NPS employees, contractors, or skilled volunteers, and/or a combination of the above. Tools are selected based the type of park unit, location, resource issue, conditions at the park, funding, public input, logistics and other concerns. For these reasons, the NPS has not established one method as preferred over any of the others, but rather analyzes the full suite of tools available for each situation. The preferred action is selected through the NEPA process. One of the primary distinctions between these tools and a traditional hunting program is that these actions are predicated solely on management of a park specific resource.

Question 7: Please elaborate on the nature and extent of the private-property rights protections in section 201 and 202 of the proposed bill, and how the Department would implement the legislation to safeguard those rights?

Section 201 directs the Secretary of Interior and Secretary of Agriculture to ensure that, of the amounts appropriated for the Land and Water Conservation fund each fiscal year, not less than the greater of 1.5 percent or $10 million be made available for projects that secure public access to Federal land for hunting, fishing, and other recreational purposes. While Section 201 does not specifically address private-property rights protections, it requires the acquisition of easements, rights-of-way and fee title from willing sellers only. To implement this legislation, the Department would only approach willing sellers of private land or interests with purchase offers.

Section 202 directs State and Regional Offices of the BLM, NPS, USFWS, and USFS to:

- Prepare annual priority lists identifying the location and acreage of land under their jurisdiction where recreation is allowed, but to which there is no access or access is significantly restricted.
- Allow the public to nominate parcels for inclusion on the priority list.
- Develop and submit a report to Congress on options for providing access to those parcels.

While Section 202 does not specifically address private-property rights protections, however, it does require the acquisition of easements, rights-of-way and fee title from willing landowners only. The section also provides for the protection of personally identifying information (PII) of

willing sellers on the priority list and report by directing the agencies to not include any PII on the lists or reports. Section 202 also protects private landowners by clarifying that agencies issuing land use permits or entering into land use agreements with, a state, local or tribal government or private landowner cannot make those permits or agreements contingent upon whether or not the landowner has granted or denied public access or egress to the land.
To implement this section, the Department would:

- Only approach willing sellers of private land or interests with purchase offers.
- Exclude PII of landowners from priority lists and reports.
- Not make the issuance of land use permits or execution of land use agreements with, a state, local or tribal government or private landowner contingent upon whether or not they have granted or denied public access or egress to the land.

United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, DC 20240

JUN 18 2015

The Honorable Lisa Murkowski
Chairman, Committee on Energy and Natural Resources
United States Senate
Washington, D.C. 20510

Dear Chairman Murkowski:

At the request of your staff, I am enclosing information prepared by the Department of the Interior in response to questions received by the Department following the March 4, 2015, hearing before the Senate Appropriations Subcommittee on Interior, Environment, and Related Agencies, regarding the Department's Fiscal Year 2016 budget request.

Thank you for the opportunity to provide this material to the Committee.

Sincerely,

Christopher P. Salotti
Legislative Counsel
Office of Congressional
and Legislative Affairs

Enclosure

cc: The Honorable Maria Cantwell
Ranking Member

Interior Support for the National Strategy for the Arctic Region

Role of Interior in Arctic Policy

The Department's bureaus manage wildlife refuges, national parks, outer continental shelf resources, and subsistence programs in the Arctic. All of these activities occur on the front lines of a rapidly changing climate.

As one of eight member nations of the Arctic Council, and the chair of the Council starting in April 2015, the United States actively seeks to promote the viability and socioeconomic well-being of Arctic communities and supports scientific research and international cooperation in achieving these goals. U.S. Arctic policy focuses on environmental protection and sustainable development, with particular emphasis on the role of indigenous people and other Arctic residents as stakeholders in the Arctic. This policy is reflected in the President's 2009 National Security Directive and then the 2013 National Strategy for the Arctic Region.

The Department is the lead agency for five efforts under the 2013 National Strategy:

- Ensure the safe and responsible development of non-renewable energy sources,
- Advance Integrated Arctic Management,
- Understand the effects of climate change on terrestrial ecosystems, and
- Investigate the role of wildland fires in the Arctic, and
- Identify and assess invasive species impacts and risks.

To support these focus areas in 2016, the Department is requesting over $144 million for activities specifically identified in the Arctic. Interior, however, also dedicates existing resources to improve coordination of ongoing work and support for the Arctic Council and priorities identified in the National Strategy.

The 2016 budget request provides targeted increase to address Arctic priorities. In particular, additional funding is provided for the science needed to inform decision making in all five areas where Interior is the lead agency in the National Strategy. For example, the 2016 budget proposes an increase of $4.2 million for U.S. Geological Survey (USGS) to research wildlife and environmental health issues and to identify hydrologic, biogeochemical, and ecosystem effects of permafrost thawing. The requested increase would allow for development of new tools that integrate elevation data with surface water information, transportation data, jurisdictional boundaries, and manmade structures. Completion of this project will allow managers in the Arctic to understand the potential climate impacts to glaciers and determine potential changes in production of salmon and migratory waterfowl, wildfire regimes across Alaska and changes in permafrost.

The 2016 budget for the Bureau of Ocean Energy Management (BOEM) includes an increase of $500,000 for collaborative ecosystem science. The increased funding will support BOEM's engagement in Arctic Council efforts. BOEM would use the requested funding to continue building upon its Arctic knowledge and develop greater expertise in greenhouse gases and ocean atmospheric interactions, and evaluate their impacts on Outer Continental Shelf (OCS) resources, including marine ecosystems, ocean acidity, and ambient air quality.

The 2016 budget provides a total of $50 million, a $40 million increase over 2015, to support tribal communities and Alaska Native Villages in preparing for and responding to the impacts of climate change. Funds will support Tribes and Alaska Native Villages, including villages in the Arctic, to develop and access climate resilience science, tools, training, and planning that will allow these communities to implement actions that build resilience into resource management, infrastructure, and community development activities. The funds for this effort will be awarded to the most compelling needs to address the impacts of climate change. The Department cannot predict the allocation of funding to specific Tribes and Alaska Native Villages, so this funding is not included in the 2016 crosscut totals.

Interior Actions To Advance the National Strategy for the Arctic Region

1. **Development of non-renewable energy resources** - Within this area, the Department continues to facilitate the safe and responsible development of conventional energy resources. Specifically, the Department is:
    - Planning and conducting exploratory deep-water ecological assessments to identify areas appropriate for development.
    - BOEM initiated the concept of "Targeted Leasing" for all future OCS oil and gas lease sales in Alaska beginning with the Chukchi Sea OCS Oil and Gas Lease Sale presently proposed for 2016. Under targeted leasing, BOEM proactively determines which specific portions of the Program Area offer greater resource potential, while minimizing potential conflicts with environmental and subsistence considerations.
    - BSEE continues to fund oil spill response research and response preparedness planning for all aspects of spill response to improve and enhance performance and efficacy in Arctic conditions.
2. **Integrated Arctic Management implementation** – The Department's charge is to use Integrated Arctic Management (IAM) to balance economic development, environmental protection, and cultural values. The Department is strengthening key partnerships to facilitate integrated arctic management, including documenting best practices and developing ecosystem-based management principles, goals, and performance measures for the Arctic. To date, Interior has:
    - Collaboratively developed a plan of engagement with partners and stakeholders and is a soliciting second round of comments.
    - Reviewed interagency efforts related to natural resource management in the Arctic and clarified roles and responsibilities and is currently reviewing a draft report.
    - Drafted an interagency Memorandum of Understanding for the implementation of IAM, in collaboration with the State of Alaska and Alaska Natives.

3. **Terrestrial ecosystem climate change research** – The Department is developing an inventory of cross-disciplinary Arctic research, synthesizing local knowledge through work with Native Alaskans and the Arctic Council, and developing the first high definition maps of the Arctic.

4. **Wildland fires in the Arctic** – The Department is developing an inventory of existing wildland fire research, identifying research projects that will identify the succession stages of tundra following fires, and developing models to predict risks and impacts of future fires.

5. **Identify and Assess Invasive Species Risks and Impacts** – The Department formed an interagency working group to analyze threats posed by invasive species and to develop management tools and strategies. Activities addressing this objective include:

    - Establish biome specific subcommittees to identify and assess invasive species pathways, risks, and ecosystem and economic impacts to the Arctic region and to prepare an early detection and rapid response plan to reduce the threat of invasive species.

    - Engage with Arctic Council working groups to blend US domestic efforts on Arctic invasive species actions, deliverables and strategy with those of the working groups to make more effective and efficient use of staffing and resources, ensure consistent policy on Arctic invasive species issues, prevent redundancy of effort and enhance international invasive species collaboration.

    - Partner with Kingdom of Norway to advance early detection and rapid response protocols during the period of the US Chairmanship of the Arctic Council.

(in millions)	2016 Request	Change
Arctic Funding Only	**$144.7**	**+2.7**
Bureau of Land Management	$16.3	(1.1)
Bureau of Ocean Energy Management	$29.2	+0.1
Bureau of Safety and Environmental Enforcement	$4.0	(0.5)
Fish and Wildlife Service	$48.7	+0.3
U.S. Geological Survey	$31.9	+4.2
National Park Service	$9.8	(0.3)
Bureau of Indian Affairs	$5.0	-

United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, DC 20240

JUN 10 2015

The Honorable Lisa Murkowski
Chairman, Committee on Energy and Natural Resources
United States Senate
Washington, D.C. 20510

Dear Chairman Murkowski:

Enclosed are responses prepared by the U.S. Geological Survey to the questions for the record submitted following the May 12, 2015, legislative hearing before your Committee on S. 883, the American Mineral Security Act of 2015.

Thank you for the opportunity to provide this material to the Committee.

Sincerely,

Christopher P. Salotti
Legislative Counsel
Office of Congressional and
Legislative Affairs

Enclosure
cc: The Honorable Maria Cantwell, Ranking Member
Committee on Energy and Natural Resources

U.S. Senate Committee on Energy and Natural Resources
May 12, 2015 Hearing: 883, the American Mineral Security Act of 2015
Questions for the Record Submitted to Dr. Suzette Kimball

Questions from Chairman Lisa Murkowski

Question 1: USGS releases a "Mineral Commodity Summaries" report each year – and, each year it seems to show that our nation's foreign dependence is rising.

a. What is driving our foreign mineral dependence?

Mineral resources are the building blocks of modern civilization and no country is 100% self-dependent. Indeed, trading minerals has been the norm throughout history. Although free trade of mineral goods is widespread, it is recognized that dependence on restricted supply chains or a single source can lead to problems, as was recently realized with Chinese dominance of the rare earth element market. The USGS continues to monitor the production and consumption of mineral resources as a foundation of policy, diplomatic, and defense choices.

b. USGS reported that the U.S. was more than 50 percent dependent on foreign nations for our supply of at least 43 minerals in 2014. Generally speaking, have we surveyed our nation's lands for those minerals?

USGS monitors the production and consumption of mineral resources as reported annually in the Mineral Commodity Summaries. For selected mineral commodities such as REE (Long et al., 2010) and copper (Johnson et al., 2014) the USGS has produced reports on the number and extent of deposits. The USGS has produced assessments of selected areas, such as lands being considered for wilderness designation, for a range of mineral commodities or for larger areas for selected mineral commodities, such as global copper. To do an assessment of a large area for 43 different mineral commodities would be a very complex undertaking. As introduced in the 113th Congress, S. 1600, the Critical Minerals Policy Act of 2013, would have authorized $20M for an assessment of a group of critical minerals.

Question 2: Having good information about domestic and foreign production is important to understanding the overall supply picture for a given mineral.

a. What impediments, if any, does USGS face in collecting supply-related data in the U.S., and how do those impediments relate to the authority USGS has to collect such data?

Mineral commodity information is collected from a large number of public and private sources. Adequate authority exists to collect this information and there is a good working partnership between the USGS and information sources. The pace of collection of supply-related data in the U.S. would have to be balanced with other Administration priorities and legislative requirements for the activities of the USGS.

b. How does USGS gather information globally, and are there opportunities for additional international cooperation to improve that data?

The USGS has enjoyed robust cooperation with other geological surveys and organizations around the world. This is exemplified by the recently complete global copper assessment that lists hundreds of cooperators around the world (Johnson et al., 2014). USGS continues to work with and attempt to increase cooperation with international partners, such as the European Union. For example, the US recently welcomed South Korea to the trilateral alliance among U.S.-Japan-EU in efforts to track information concerning REE and other critical minerals.

Questions from Senator John Barrasso

Question 1: Would you discuss the quality of the rare earth and critical mineral resources that exist in Wyoming?

The main rare earth and critical mineral resource deposit in Wyoming is the Bear Lodge deposit. This deposit was described and compared to the 38 known such deposits in the U.S. by Long et al. (2010). It was ranked in the top three of those 38 deposits in terms of likelihood of development. Since it is in active development by Rare Element Resources Ltd., a publicly traded mineral resource company, the most current information about the deposit can be obtained from the company itself.

Question 2: How do Wyoming's rare earth and critical mineral deposits compare to other rare earth and critical mineral deposits in the country and the world?

The main rare earth and critical mineral resource deposit in Wyoming is the Bear Lodge deposit. This deposit was described and compared to the 38 known such deposits in the U.S. by Long et al. (2010). It was ranked in the top three of those 38 deposits in terms of likelihood of development. Since it is in active development by Rare Element Resources Ltd., a publicly traded mineral resource company, the most current information about the deposit can be obtained from the company itself.

Question 3: In your written testimony, you state that: "in 2014 the United States was 100 percent dependent on foreign suppliers for 19 mineral commodities and more than 50 percent dependent on foreign sources for an additional 24 mineral commodities." You explain that the United States imports minerals from Brazil, Canada, France, Germany, Japan, and Mexico as well as China, Russia, and Venezuela.

To what extent would increasing mineral production on federal public lands decrease our country's dependence on foreign suppliers of these mineral commodities?

Increased mineral production on Federal public lands in the U.S. would increase the availability of domestically produced mineral resources and could potentially reduce dependence on foreign suppliers of these mineral commodities. However, mineral commodities are bought and sold as global commodities, and therefore an increase in the availability of mineral resources in this country may not necessarily reduce dependence on foreign supplies because mine operators are free to sell the extracted minerals to other countries for processing or use.

Questions from Senator Jeff Flake

Question 1: Your testimony states that "many of the activities called for in S.883 are already authorized by existing authorities," that the activities "to fulfill the objectives of the bill would require substantial resources," and in particular that the resource assessments called for in section 103 are "beyond the current budget capacity of the USGS." Can you please elaborate on which authorities in S.883, in your view, already exist, and what the effect enacting S.883 as written would have on other USGS activities.

The authority to define and assess critical mineral resources within the U.S. follows directly from the founding Organic Act of 1879, which provided for "the classification of the public lands and examination of the geological structure, mineral resources, and products of the national domain." S.883 requires the USGS to define and assess critical mineral resources within the U.S. but as currently written does not authorize any funds to carry out this mandate. Such a mandate would have to be balanced with other Administration priorities and legislative requirements for the activities of the USGS.

References cited:

Johnson, K.M., Hammarstrom, J.M., Zientek, M.L., and Dicken, C.L., 2014, Estimate of undiscovered copper resources of the world, 2013: U.S. Geological Survey Fact Sheet 2014–3004, 3 p., http://pubs.usgs.gov/fs/2014/3004/

Long, K.R., Van Gosen, B.S., Foley, N.K., and Cordier, Daniel, 2010, The principal rare earth elements deposits of the United States—A summary of domestic deposits and a global perspective: U.S. Geological Survey Scientific Investigations Report 2010–5220, 96 p., available at http://pubs.usgs.gov/sir/2010/5220/

United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, DC 20240

JUN 17 2015

The Honorable Doug Lamborn
Chairman, House Natural Resources Subcommittee on Energy and Mineral Resources,
United States House of Representatives
Washington, D.C. 20515

Dear Chairman Lamborn:

Enclosed are responses prepared by the Office of Natural Resources Revenue (ONRR) in response to questions received following the March 17, 2015 hearing before your Subcommittee regarding the ONRR's Fiscal Year 2016 budget request.

Thank you for the opportunity to provide this material to the Subcommittee.

Sincerely,

Christopher P. Salotti
Legislative Counsel
Office of Congressional
and Legislative Affairs

Enclosure

cc: The Honorable Alan Lowenthal
Ranking Member

Questions for the Record
Director Gregory J. Gould
Office of Natural Resources Revenue
U.S. Department of the Interior

Committee on Natural Resources
Subcommittee on Energy and Mineral Resources
1324 Longworth House Office Building
Tuesday, March 17, 2015
10:00 AM

Oversight hearing on:
"Examining the Spending Priorities and Missions of the Bureau of Ocean Energy Management (BOEM), the Bureau of Safety and Environmental Enforcement (BSEE) and the Office of Natural Resources Revenue (ONRR) in the President's FY 2016 Budget Proposals."

Questions from Representative Lowenthal

1. Why is ONRR proposing amendments to its civil penalty regulations?

Answer: ONRR initiated a change to its civil penalty regulations to conform to the requirements of the Federal Civil Penalty Inflation Adjustment Act of 1990 (Public Law 101-410). In addition, ONRR opted to 1) apply civil penalty regulations to all mineral leases to implement the 2009 Omnibus Appropriations Act (Public Law 111-88; codified at 30 U.S.C. 1720a), including solid mineral and geothermal leases and offshore agreements for energy development, 2) simplify and clarify, in plain language, the existing regulations for issuing notices of noncompliance and civil penalties and for contesting such notices, and 3) provide notice that ONRR will post matrices for civil penalty assessments on its web site.

2. Will the proposed amendments to the civil penalty regulations create a disincentive for industry to produce oil and gas on federal lands and decrease royalty collections?

Answer: Civil penalties serve to encourage compliance with applicable laws and regulations and deter future violations. We have seen no evidence that ONRR's assessment of civil penalties has chilled offshore or onshore production activities for companies with good records of compliance. Instead, we believe that the appropriate use of civil penalties, as clarified by the proposed regulations, will continue to act as a disincentive to violating Federal mineral laws and regulations.

3. Were there any favorable comments on ONRR's civil penalty regulations?

Answer: ONRR received comments expressing support for the proposed amendments as a clarification and simplification of existing civil penalty regulations.

4. Is ONRR using its proposed amendments to the civil penalty regulations to strip lessees of their legal rights to due process?

Answer: The amendments will not deprive lessees of due process rights. The proposed regulations clarify the legal rights of parties subject to enforcement actions by consolidating the multiple sections on hearing requests and standardizing the period for making such requests. Under the proposed regulations, a company may request a hearing on a Notice of Noncompliance, a Failure to Correct civil penalty, or an Immediate Liability civil penalty by filing a request that is received by ONRR within 30 days of the company's receipt of the enforcement action.

The proposed regulations explicitly permit either party to file a motion for summary judgment before discovery is complete; an option has always been available. The new language is included in order to accommodate those cases in which the very expensive discovery process may not be justified when there is not a genuine dispute of material fact. The proposed regulations also limit the prerogative of an Administrative Law Judge (ALJ) to reduce penalties by more than 50 percent. This proposal is based on the increased availability of penalty rates that will result from ONRR's publication of the civil penalty matrix, consistency with the practices of other Federal enforcement agencies, and the concept that it is appropriate to limit review by an ALJ to consideration of the same factors that ONRR must use when assessing civil penalties.

5. Why did the proposed civil penalties rule define "knowing and willful" to include "gross negligence"?

Answer: The proposed rule solicited public comment on whether "knowing and willful" should be defined to include "gross negligence," which exists when a company or person has "fail[ed] to exercise even that care which a careless person would use." While "knowing or willful" is at times construed to include gross negligence, more frequently "knowing or willful" is associated with higher degrees of culpability, such as "actual knowledge," "deliberate ignorance," and "reckless disregard." By seeking public comment on whether "knowing or willful" should be defined to include gross negligence, ONRR invited a public discussion on identifying the boundary between more and less egregious violations and their attendant consequences. The majority of the public comments received on the proposed rule suggest a prevailing opinion among commenters that violations resulting from gross negligence should be subject to less severe ramifications than violations committed with actual knowledge, deliberate ignorance, or reckless disregard.

6. What is ONRR's deadline for finalizing the proposed regulations?

Answer: ONRR is committed to carefully evaluating all comments and modifying the rule where necessary to achieve its objectives, while assuring fair treatment of industry, royalty recipients, and other stakeholders. ONRR plans to publish the final rule in the Federal Register by the end of the calendar year.

Questions from Representative Cartwright

1. Director Gould, in your written testimony you stated that "ONRR proposes to eliminate the coal benchmarks and instead rely on the affiliate's first arm's-length sale of the coal to value the production for royalty purposes." You have a comment period that is open until May 8th on this rule. However you also estimate that in the new coal valuation rule that ONRR recently proposed, the estimated cost to the coal industry was zero dollars. Is that correct?

Answer: In the economic analysis section of the preamble to the proposed rule, ONRR estimated the combined average annual royalty impacts resulting from the proposed changes to the rule for coal dispositions would range from a royalty decrease of $1.06 million (benefit) to a royalty increase of $1.06 million (cost). ONRR then assumed that the average for royalty increases is the midpoint of our range which in this example would be zero. In the preamble, ONRR specifically requested comments on its economic analysis.

2. If this is the case, then what is the purpose of the rule?

Answer: The purpose of the rule is to update valuation methodologies that for some mineral resources are more than 25 years old. ONRR also intends for this proposed rulemaking to provide regulations that (1) offer greater simplicity, certainty, clarity, and consistency in product valuation for mineral lessees and mineral revenue recipients, (2) are more understandable, (3) decrease industry's cost of compliance and ONRR's cost to ensure industry compliance, and (4) provide early certainty to industry and ONRR that companies have paid every dollar due.

3. Did you consider alternatives that would have raised additional revenue, and what were those alternatives?

Answer: The purposes of this rulemaking are to update, simplify and clarify the regulations to reflect the current marketplace.

4. I have worked with economists who believe that shutting down the problem of affiliated companies artificially reducing the value of the first "arm's length" transaction has cost the federal government millions. Do you not agree with such estimates (such as from Headwaters)?

Answer: ONRR does not currently have enough information about the factual or evidentiary basis for those estimates to state a conclusion. However, as part of the rulemaking process, we will be considering issues of arm's length contracts and affiliated companies, and we will look at any and all information submitted through the public comment process on the proposed rule as we work to develop a final valuation rule.

5. Based on your estimation, you wouldn't expect coal companies to have a strong feeling about this regulation because you estimate they would not be expected to pay any additional royalties. Have you gotten any feedback from them yet?

Answer: ONRR has not yet completed a comprehensive review of comments submitted. We expect there will be comments from coal producers that do not oppose the new regulations because they will not materially alter the way they currently do business or greatly affect the amounts they pay in royalty to the federal government and we expect there will be comments from coal producers who oppose the proposed changes. ONRR will carefully consider the merits of all public comments submitted after the comment period closes.

United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, DC 20240

JUN 26 2015

The Honorable Don Young
Chairman, House Natural Resources
Subcommittee on Indian, Insular, and Alaska Native Affairs
Washington, DC 20515

Dear Mr. Chairman:

Enclosed are responses prepared by the Office of the Special Trustee to questions received by Vincent Logan, Special Trustee for American Indians, following the April 14, 2015, hearing before your Subcommittee on H.R. 812, *The Indian Trust Asset Reform Act*.

Thank you for the opportunity to provide this material to the Committee.

Sincerely,

Christopher P. Salotti
Legislative Counsel
Office of Congressional
and Legislative Affairs

Enclosure
cc: The Honorable Raul Ruiz
Ranking Member

House Natural Resources
Subcommittee on Indian, Insular, and
Alaska Native Affairs
April 14, 2015

H.R. 812

1. **The Department's written testimony states on page seven, "Title III of the legislation would, among other things, restructure the BIA, the office of the Assistant Secretary – Indian Affairs and OST, and create an Under Secretary for Indian Affairs." It is unclear which provision in H.R. 812 purports to restructure the Bureau of Indian Affairs, Assistant Secretary-Indian Affairs, or the Office of the Special Trustee for American Indians.**

   Question: If H.R. 812 were to be become law as introduced, what specific sections of H.R. 812—other than Section 305(a), which requires the Secretary to ensure unified administration of appraisals and valuations within 18 months of enactment—would effectuate a restructuring of each of these entities?

Answer: Title III of H.R. 812 is titled "Restructuring Office of the Special Trustee." If H.R. 812 was enacted and Title III became law, section 304 would require that the Secretary prepare, consult with tribes on, and subsequently submit to Congress a report that includes:

- identification of all functions, other than the collection, management, and investment of Indian trust funds, that the Office of the Special Trustee performs, either independently or in concert with the BIA or other federal agencies, specifically those functions that affect or relate to management of non-monetary trust resources;
- a description of any functions of the Office of the Special Trustee that will be transitioned to the BIA or other bureaus or agencies within the Department, together with applicable timeframes; and
- a transition plan and timetable for the termination of the Office of the Special Trustee.

H.R. 812 mandates in section 304(a)(3) that the timetable for termination of OST be not later than 2 years after the date of the report. The termination of OST would constitute a major restructuring of the Department. As was made clear at the hearing, the Department does not support the termination of OST; for the foreseeable future, OST will need to remain as an integral part of the Indian trust system.

Moreover, if H.R. 812 was to become law, the Under Secretary position created by the bill could be established within the Department. Among other things, H.R. 812 leaves it to the Under Secretary to constitute a new structure or entity that would assume OST's functions when it is terminated, and the Under Secretary is given a broad range of discretionary authority to bring the functions performed and personnel employed by OST into the new unspecified structure. As indicated in the testimony for this hearing, any proposed change in an organizational structure must be specific and must be carefully evaluated in order to be successful. As written, H.R. 812 lacks sufficient detail to ensure that individual beneficiaries and tribes will retain the level of care they currently receive under the Department's trust management structure.

2. **Written testimony from the Department on H.R. 812 states that the Department opposes a termination of the Office of the Special Trustee and appears to assume that H.R. 812 effectuates a restructuring of the Office of the Special Trustee for American Indians.**

   However, section 304(a) of H.R. 812 only requires the Secretary of the Interior to submit a report to Congress that addresses various topics relating to the Office of the Special Trustee for American Indians and to consult with Indian country on the report. What happens to the report, if anything, is left for the Department or Congress to decide.

   Question: What objections does the Department have to this reporting requirement as required under section 304(a)?

Answer: As indicated in the previous response, if enacted section 304 would require that the Secretary prepare, consult with tribes on, and subsequently submit to Congress a report that includes:

- identification of all functions, other than the collection, management, and investment of Indian trust funds, that the Office of the Special Trustee performs, either independently or in concert with the BIA or other federal agencies, specifically those functions that affect or relate to management of non-monetary trust resources;
- a description of any functions of the Office of the Special Trustee that will be transitioned to the BIA or other bureaus or agencies within the Department, together with applicable timeframes; and
- a transition plan and timetable for the termination of the Office of the Special Trustee.

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3. **In written testimony on H.R. 812, the Department restates nearly verbatim various statements from its written testimony on H.R. 409 from the 113th Congress, about the Department's concerns about Title II of H.R. 409, allowing tribes tribe develop individual Information Technology systems. In questions submitted for the record, from the hearing on H.R. 409, the Committee asked the Department to identify the specific provisions of H.R. 409 that would allow tribes to develop their own Information Technology systems.**

   In the Department's November 10, 2014 response, the Department cited a specific subsection in Section 204 of H.R. 409 and stated, "This language in Section 204 will authorize tribes to develop and employ alternative systems, including IT systems, to

manage their trust assets." The language that the Department cited in its November response was not included in H.R. 812 as introduced.

Question: Since this language was not included in H.R. 812, does the Department's concern that the bill would allow tribes to develop individual Information Technology systems remain valid?

Answer: Yes, as a practical matter the Department continues to have concerns about the potential proliferation of management systems and the possibility of reverting to a previous state in which there was no system-wide uniformity. And while the language of H.R. 812 does not specifically countenance individual IT systems, as in previous versions of this bill it does not prohibit them.

Question: Does the Department have any concerns regarding the appraisal provisions set forth in Section 305 of H.R. 812?

Answer: The Department is open to discussing the provisions set forth in Sec. 305 of H.R 812.

4. **The committee heard testimony that providing HEARTH Act-like treatment for forest management activities would give tribes new flexibility and create jobs in the forest economy. Assistant Secretary Washburn and the Administration have publicly supported the HEARTH Act model.**

   Question: Does the Administration have any concerns with extending the HEARTH Act-like treatment for forest management activities?

Answer: As stated in our testimony for this hearing, the Department supports increased tribal self-governance and self-determination and is supportive of program authority, similar to that found in the HEARTH Act, that would provide tribes with flexibility to manage their resources. A concern with the language contained in H.R. 812 is that it may transfer authority and funding for trust asset self-management without appropriately transferring the legal responsibility and liability for mismanagement. The Department has consistently maintained that there should be a linkage between control of a federal program and the liability for that program. Moreover, other issues would need to be considered, such as how the Department would effectuate the re-assumption of a program; the compatibility of systems or practices should such a reassumption be necessary; and how program monitoring would be conducted.

5. **The Department's written testimony states on page seven that "before engaging in any restructuring" of OST, "the Department will need to conduct extensive tribal consultations, pursuant to Executive Order 13175… ." Mr. Logan stated in his oral statement that with regard to the American Indian Trust Fund Management Reform Act of 1994, "while contemplating a possible sun-setting of OST upon completion of its trust reform duties, the Act gave equal consideration to transforming the office into a permanent trust organization."**

Question: To the extent that the Department has any plans to make any function of the Office of the Special Trustee permanent, does the Administration similarly intend to conduct extensive tribal consultations pursuant to Executive Order 13175 prior to such plans being implemented?

Answer: Consultation with Tribes regarding the Administration's plans and policies affecting tribal governments is a priority for the Administration. As indicated at the hearing, the Department does not support the termination of OST; for the foreseeable future, OST will need to remain as an integral part of the Indian trust system.

6. **In accordance with the American Indian Trust Fund Management Reform Act of 1994[1], Indian tribes may withdraw their trust funds from federal supervision and invest them in securities that would garner greater rates of return.**

Question: How many tribes have exercised this option?

Answer: Ten tribes have withdrawn their funds under Reform Act authority. Six tribes have withdrawn their funds under separate authority.

Question: Has the Office of Special Trustee for American Indians consulted Indian country on the mechanics of this private investment option?

Answer: Regular and meaningful consultation and collaboration with Tribes is a touchstone of this Administration's policy with respect to Indian tribal governments. While the Reform Act, including the provisions addressed in this question, was enacted in 1994, the regulations associated with implementing these provisions (25 CFR Part 1200) were published in 1996. Executive Order 13175, Consultation and Coordination with Indian Tribal Governments, was signed and published in 2000.

[1] 25 U.S.C. §4022.

United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, DC 20240

JUN 19 2015

The Honorable Rob Bishop
Chairman
Committee on Natural Resources
House of Representatives
Washington D.C. 20515

Dear Chairman Bishop:

Enclosed are responses to questions received by the Department of the Interior following the March 5, 2015, oversight hearing before the House Natural Resources Committee "*Examining the Department of the Interior's Spending Priorities and the President's Fiscal Year 2016 Budget Proposal.*"

Thank you for the opportunity to provide this material to the Committee.

Sincerely,

Christopher P. Salotti
Legislative Counsel
Office of Congressional and
Legislative Affairs

Enclosure

Post-hearing Questions
Committee on Natural Resources
Fiscal Year 2016 Budget Proposal
March 5, 2015

Questions from Rep. Young

1. Please provide the following information for employees of the Alaska Region National Park Service and the U.S. Fish and Wildlife Service.

- **The state of residence of each employee?**
- **If they reside in Alaska, the length of time the employee has resided in the state?**

Response: Of the 617 National Park Service employees working in the Alaska Region, there are three who have requested withholding of state taxes for other states and all but seven have Alaska listed for state residency.

Of the 540 Fish and Wildlife Service employees in the Alaska Region, there are eight who have requested withholding of state taxes for other states and two employees who are stationed outside Alaska. Out of those first eight employees, four recently moved to Alaska.

The NPS and FWS do not have data on the length of time each of its employees has resided in the state.

2. Public Law 113-264, the Federal Duck Stamp Act of 2014, provides an exemption from purchasing a stamp for rural Alaska residents for subsistence uses.

- **Where is the Service in implementing the exemption?**
- **Has the Service run into any issues that may impede implementation?**

Response: The FWS is developing guidance for implementing this exemption and plans to have it in place within the year. The FWS has not, as of yet, encountered impediments to implementation.

3. The Law Enforcement line item has an increase of $8 million to address wildlife trafficking and expand wildlife forensics – how much of the $8 million will be used in the United States compared to oversees in Africa or Asia?

Response: The request includes a program increase of $4.0 million to combat expanding illegal wildlife trafficking and support conservation efforts on the ground in Africa and across the globe and $4.0 million to expand the capability of wildlife forensics to provide the evidence needed for investigating and prosecuting criminal activity under the Lacey Act and other laws, as well as support FWS special agents.

4. How much does Fish and Wildlife Service spend annually on endangered foreign species?

Response: In FY 1998 and for each fiscal year since then, Congress has placed a statutory cap on funds that may be expended for the FWS's Listing Program. In addition, in FY 2012 Congress also put in place a funding subcap for foreign species listing actions under the listing cap. For FY 2014 and FY 2015, no more than $1,504,000 could be used for listing actions for foreign species. The FWS has requested the same amount for FY 2016.

In Fiscal Year 2015, the FWS was appropriated $9,061,000 for Multinational Species Conservation Fund and $7,183,000 for International Conservation, for a total of $16,244,000 appropriated funds for conservation efforts for endangered foreign species.

5. It's been 5 years since the U.S. - Palau Compact agreement was signed. The lack of an offset for the Agreement has allowed the implementing legislation to languish in Congress for 5 years.

- **What is the Administration's plan to get the implementing legislation passed in the 114th Congress?**
- **Should the Department of the Interior take on the full burden of an offset for the costs of the U.S. - Palau Compact implementing legislation? If no, please explain.**

Response: Approving the results of the September 3, 2010, Compact Review Agreement between the United States and the Republic of Palau is of critical importance to the national security of the United States, to our bilateral relationship with Palau, and to our broader strategic interests in the Asia Pacific region. The Administration transmitted legislation to Congress that would approve the Agreement in the 113th Congress, and the President's FY16 budget request again includes a legislative proposal to approve the Agreement. The Administration has worked with the Committee to try to identify appropriate offsets for funding the Agreement. Pending congressional authorization of the Agreement, Palau has received $13.147 million annually since 2010, under P.L. 111-88, and subsequent continuing appropriations. The Administration stands ready to continue to work with Congress to approve legislation on this critically important issue.

6. The Park Service Compendium for 2015 includes a proposed ban on the use of certain pack animals for Dall sheep hunts.

- **Can additional information be provided on what the ban entails?**

Response: Because of the documented disease transmission risk to wild sheep and goat populations, the 2015 park compendiums prohibit the use or possession of domestic sheep and goats in Alaska NPS units. The compendiums also require written authorization for the use of llamas and alpacas, animals which may also pose risks to wild sheep and goat populations, although much smaller risks.

- **Is the Park Service overstepping and getting into management actions that are under state authority?**

Response: The compendium closures are an appropriate action. The Alaska Board of Game has prohibited the use of domestic sheep and goats as pack animals for sport hunters, but does not have the authority to prohibit them for other uses or in NPS areas outside national preserves. The NPS closure appropriately extends the protection to wild sheep and goats beyond use for sport hunting.

- **Did the Park Service work with the state?**

Response: The NPS met with State of Alaska officials in the fall of 2014, prior to the publication of the draft compendiums, and responded in writing to comments made by the State during the public comment period.

- **Have any adjustments been made to the Compendium to address concerns raised with the proposed ban?**

Response: In response to comments suggesting less restrictive measures could be taken, the NPS modified the proposed prohibition on llamas and alpacas. In its place, the 2015 compendiums require written authorization.

- **What is the rationale for the restrictions and is there science to defend it?**

Response: Wild sheep and goat populations are declining across much of Alaska, and are a valuable resource for subsistence and sport hunters, as well as wildlife viewers. Disease transmission from domestic animals is a documented threat. Information from the Alaska Department of Fish and Game, the Western Association of Fish and Wildlife Agencies, as well as the Wildlife Society, identified Johne's disease (paratuberculosis), infectious keratoconjuctivitis, contagious ecthyma, parainfluenza-3, lungworms and nasal bot flies among the potential disease risks. The Alaska Board of Game recently prohibited the use of goats and sheep as pack animals during hunting seasons (the only activity over which it has jurisdiction) for the same reason.

7. The National Park Service issued a proposed rule on September 2014, to prohibit certain hunting practices authorized by Alaska Board of Game on National Preserves.

- **Did the Park Service follow the "quality consultation with Alaska Native entities as required by ANILCA" while developing the proposed rule?**

Response: The NPS notified every tribal government and Alaska Native Claims Settlement Act (ANCSA) corporation in Alaska of the proposed rule, held three dial-in consultation conference calls, offered to consult in person with any group that so desired, and held an in-person consultation in Allakaket.

Post-hearing Questions
Committee on Natural Resources
Fiscal Year 2016 Budget Proposal
March 5, 2015

- **What is the status of the proposed rule and when does the Park Service think it will be finalized?**

Response: Public comment closed on February 15, 2015, after a total of 120 days of public comment and 26 public hearings. The NPS heard from more than 100,000 individuals. These comments are being analyzed, and revisions to the proposed rule are being considered based on public input. The NPS hopes to make a decision on a final rule in the summer of 2015.

- **Is the Park Service working with the State and Alaska Native groups during the finalization process of the proposed rule?**

Response: As noted in the response to the previous question, the NPS received significant input during the public comment period, which is now closed, and is analyzing the comments and preparing a final rule.

- **Has the Park Service addressed any of the concerns raised by the Alaska Native community or hunters in Alaska regarding the proposed rule restrictions on National Preserve lands?**

Response: Concerns raised by Alaska Native organizations and individuals and hunters are being considered as we review the public comments and will continue to guide us as we consider revisions to the proposed rule.

- **What is your response to the Department's own *Wildlife and Hunting Heritage Conservation Council* which is recommending that you direct the Park Service to work with the State and Alaska native groups to find a way forward that all parties can agree to without the use of a proposed rule?**

Response: We welcome the Council's suggestion. Over several years, the NPS repeatedly requested that the State of Alaska and the Alaska Board of Game exempt national preserves from state regulations that liberalized methods, seasons, and bag limits for predator hunting. Those requests were denied. State officials also objected to the use of repeated temporary federal closures, and advised NPS to seek permanent regulations. We have met over the winter and spring with the leadership of the Alaska Department of Fish and Game, and continue to discuss these issues.

- **The proposed rule states the Park Service is updating its public notice methods and will contact people primarily through the internet. Can you assure me that rural areas that may not connected, the Park Service will continue to use existing methods to notify these areas?**

Response: The NPS intends to continue other methods of public notice that may be more successful in reaching areas without internet connectivity. Depending on the issue, the bureau will continue using paid advertisements, public meetings, open houses, posted notices, and personal contact with key organizations.

8. The draft rules for Arctic OCS operations call for a second rig to be on standby to respond to a potential well control event. Other equipment and methods, such as a capping stack, can be used to achieve the same season relief with equal or higher levels of safety and environmental protection. Requiring a second standby rig could burden proposed Arctic drilling operations with a significant expense – in effect the cost of hiring two rigs to drill one well. In Canada, the Chief Safety Officer and Chief Conservation Officer are authorized to approve an operator's proposal of equipment, methods, measures, and/or standards that provide an equivalency for a same season relief well. Please describe how the draft rules package compares with the approach followed in Canada, and whether it provides for a flexible and non-prescriptive approach to evaluate how an operator proposing to drill will manage the risk of a well control event.

Response: The new proposed regulations cover a wide range of subjects, all focused on increasing safety and reducing the risk posed by exploratory drilling under the challenging conditions of the Arctic. This proposal was developed to carefully balance flexibility with ensuring safe oil and gas operations in the sensitive environment of the Arctic.

The proposed regulations also seek to ensure that operators have the equipment available to limit the effects of any loss of well control incident if one should occur. Operators are required to have a relief rig available and able to drill and complete a relief well, if needed, within 45 days. The proposed regulations also require that Source Control and Containment Equipment be available and able to arrive at the well within 24 hours (or seven days, depending on the equipment) of a loss of well control. However, past loss of well control incidents around the globe have demonstrated that source control equipment such as a capping stack is not always capable of providing a solution to an uncontrolled well, and that it may also be necessary to drill a relief well in such circumstances to permanently regain control of the well. These requirements seek to address the dynamic, challenging conditions associated with operating on the Arctic Outer Continental Shelf (OCS).

While it is true that the proposed regulations require that a second rig be able to arrive at the well site and drill a relief well in 45 days or less, that rig need not be a dedicated "stand by" rig. Operators have the option to bring two drilling rigs into the theater and dedicate each rig as the relief rig for the other while serving to drill exploratory wells simultaneously. Indeed, Shell has stated that as they plan to move forward with exploratory drilling operations during the 2015 open water season, this will be the approach they propose for exploratory drilling operations in the Chukchi Sea.

Finally, the proposed regulations include reference to the current regulatory provision that allows an operator to propose the use of alternative procedures or equipment (30 CFR 250.141). This

performance-based provision ensures that operators have the opportunity to deploy innovative technological solutions if those solutions are shown to provide an equivalent or greater level of safety and environmental protection.

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Questions from Rep. Duncan

9. Secretary Jewell, one issue that is not often raised but is fundamentally important to moving forward on any offshore production, whether it is oil and gas or renewable wind, is seismic testing. Your new regulations for Atlantic seismic testing are quite a departure from the ones used successfully today in the Gulf among many of the same species cited in the Atlantic.

- **Does the department have any documented evidence of seismic surveying having a negative impact on marine mammal populations?**

Response: Although there has been no documented scientific evidence of noise from air guns used in geological and geophysical (G&G) seismic activities causing population-level impacts to marine mammals, BOEM recognizes that population level impacts from noise exposure are difficult to document. Further, BOEM recognizes that seismic surveys may cause behavioral disturbance, which, depending on the context and extent, may or may not lead to energetic impacts to individuals that could affect reproduction or growth. To minimize the potential for impacts, including population level effects, BOEM has put in place strong mitigation measures to help ensure the protection of marine mammals and other protected species in the Atlantic. These include specific measures to protect baleen whales (such as the endangered North Atlantic right whale and humpback whale), which are potentially more susceptible to impacts from seismic noise than other marine mammals. These baleen whales do not occur in the Gulf of Mexico, and this is why mitigation may differ in each location. However, even with these mitigation measures, BOEM believes that any potential impacts on marine mammals from seismic survey activities will need to be closely monitored and further studied. BOEM continues to conduct research on the effects of sound on marine mammals, including funding projects specifically meant to better understand the potential for population-level effects.

10. Did BOEM work alongside the Maryland Energy Administration when they conducted a 94-square mile seismic survey in the Atlantic last June?

Response: The Maryland Energy Administration (MEA) conducted a survey within the DOI-designated Maryland Wind Energy Area on the Outer Continental Shelf to identify any potential hazards that may result from the development of a renewable energy wind farm to submerged cultural resources that may be present. The MEA met with BOEM to better understand BOEM's G&G guidelines and asked BOEM to review its survey methodology and provide input on how to create the best data set possible so that the data could support future development.

11. Can you explain how the Department intends to move forward with this import scientific analysis given that permits have still not been issued to the eight pending applicants?

Response: Since the Record of Decision was finalized, BOEM has been working with companies to process permits. BOEM is reviewing ten permit applications for G&G surveys.

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Nine of the ten will require an Incidental Harassment Authorization (IHA) from NOAA and only five of the nine companies have submitted applications for those. NOAA may issue an IHA only if it finds that the permitted activities will have no more than a "negligible impact" on marine mammal species or stocks. Due to the short duration of the permits, BOEM will wait until NOAA issues an IHA before approving a permit. BOEM is actively reviewing all of the survey applications received to date and doing the necessary environmental analyses. BOEM plans on making a decision on the first permit in the coming months and hopes to complete processing of additional permits by the end of the year.

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Questions from Rep. Gosar

Air Tour Operators thank you and question

12. Lead up: Secretary Jewell, thank you for appearing before the Committee. I'd like to start off today with a thank you. First, thank you for working with the air tourism industry around the Grand Canyon. As you are probably aware, Map-21 contained my bill, the Grand Canyon Tourism Jobs Protection Act. I applaud your efforts as you work to implement my bill and the seasonal relief from allocations in the Dragon and Zunit Point Corridors. This pending relief will allow air tour operators in this corridor who voluntarily upgrade their aircraft to quiet technology to transfer flight allocations that go unused during slower winter months and apply them to busier summer months. These actions will create jobs and are expected to add approximately 3,700 flights starting in the summer of 2015. ***(Federal Register notice documented in back folder.)***

Question: The final notice of rulemaking for this relief was expected to come out sometime in January-March of this year. Since we are now in March, can you provide a quick status update and let us know when that final rulemaking will be out?

Response: On April 22, 2015, the NPS and FAA published a joint Federal Register notice for the final Seasonal Relief Quiet Technology Aircraft Incentive at Grand Canyon National Park. The notice describes the quiet aircraft technology incentive for commercial air tour operators at Grand Canyon National Park and responds to the substantive comments received. The Federal Register notice may be found online at: https://www.federalregister.gov/articles/2015/04/22/2015-09380/grand-canyon-national-park-quiet-aircraft-technology-incentive-seasonal-relief-from-allocations-in.

13. FWS Staff Violates Federal Criminal Statute but only Slapped on the Wrist

A July 18, 2012 memo from Fish and Wildlife Service Deputy Director Rowan Gould to agency employees states – and I quote – "employees may not participate in activities or campaigns which are designed to generate support for or opposition to pending legislation" unquote. It also cites 18 U.S. Code 1913, a criminal statute, to justify the prohibition of such involvement.

Do you agree with this prohibition?

- **Are Interior Department employees made aware of these prohibitions when they begin employment and from time to time?**

Response: Yes. The Department provides training on these prohibitions and other ethics issues. New employees are given orientation materials that include information about ethical obligations and restrictions on topics including prohibitions on lobbying. Training is also provided to Department employees from time to time.

I find that interesting because back in February of 2013, over two years ago now, the Fish and Wildlife Service concluded in writing that the Refuge Manager at the Mackay Island and Currituck National Wildlife Refuge violated federal law by actively lobbying an outside organization to oppose the "*The Corolla Wild Horses Protection Act,*" introduced by my colleague, Congressman Walter Jones.

- **Are you aware of this finding?**
- **Violations of the Anti-Lobbying Act, another law prohibiting federal agency employee lobbying, are punishable by civil penalties ranging between $10,000 and $100,000 per expenditure, what was the penalty for this senior employee's actions?**
- **It is my understanding that this refuge manager is still at his post even though he violated federal law. Why wasn't this person fired, suspended or transferred?**
- **Well what about 18 U.S.C. §1913? In your previous career as CEO of REI, would you have kept an employee who violated a serious criminal statute?**
- **Finally, Secretary Jewell, a year and a half after FWS concluded that a violation**
- **had occurred; the Department's Office of the Inspector General launched an investigation in August 2014. Seeing that no action of consequence has been taken against the employee in question, can you tell us the status of this investigation? This circumstance is very troubling and I'd like monthly updates on this issue.**

Response: Yes, we are aware of the finding. The FWS frequently works with states, non-governmental organizations, the public, and other entities to carry out its mission. In the referenced case, the agency took appropriate actions to ensure all those involved have a clear understanding of the restrictions on political activities and lobbying Congress. In addition, the FWS has provided training to reiterate the requirements of the applicable laws for its leadership team, its regional leadership teams, and field-based personnel. This training has been provided to FWS personnel in subsequent years. The FWS has not received a final report from the DOI Inspector General on this specific issue. Once received, we will review any findings and may take additional actions as appropriate.

Tribal Forestry Questions

14. <u>Lead Up</u>: Since 2012, the Department of the Interior has settled dozens of lawsuits where Indian tribes alleged mismanagement of their trust resources. In many cases, the largest settlements were attributable to mismanagement of tribal timber and forest resources. For example, the settlements for three of the largest timber tribes collectively totaled more than half a billion dollars that came out of the U.S. Treasury. We have heard from some of these tribes that little has changed since these massive settlements.

What is the Department doing to ensure that 20 years from now, taxpayers won't be on the hook for another massive payout due to the Department's mismanagement of timber resources?

Response: The Department takes both its trust responsibility and the goal of tribal self-determination, seriously. Indian forests cover 19 million acres of land, producing a potential annual harvest of 750 million board feet on 307 reservations in 26 states. Forested acreage continues to increase as a result of Land Buy Back acquisitions, as additional lands are moved into trust status. Many tribes rely on their forests for economic development and employment.

The BIA's Forestry Program conducts forest land management activities on Indian forest land to develop, maintain, and enhance forest resources in accordance with sustained yield principles and objectives set forth in forest management plans. Funding contained in the bureau's FY 2016 budget request for forestry projects increased $4 million. This increase will be used to fund $2 million in Forest Development thinning of overstocked forests, creating stand and forest resiliency to wildfire, insect epidemics, and disease infestations that are being intensified as a result of climate change. The current thinning backlog is over 511,000 acres, and approximately 7,000 acres can be treated through this increase.

This increase also provides $1 million for Resource Management Planning projects that will focus on community-based tribal land management development planning activities that promote resiliency to climate change through implementation of ecologically sound forest management treatments. This increase provides an additional $1million for environmental assessment and compliance projects associated with National Environmental Policy Act requirements, which can be used to acquire scientific tools and hardware necessary to collect and analyze environmental data, data collection activities necessary for environmental document preparation, and for the preparation of environmental documents.

The sale of forest products is also a principle trust responsibility and a key source of tribal revenue and employment. Forest products sales support the bureau's efforts to promote self-sustaining communities and healthy and resilient Indian forest resources. To assist tribes in identifying markets for forest products, the program partners with the Intertribal Timber Council in marketing and branding research. The program will also undertake a continued effort to assist tribes in identifying and accessing forest products markets through partnerships with the Intertribal Timber Council, commercial timber tribes, and other federal agencies. And there will also be an initiative through the Forestry Cooperative Education Program that will focus on a more effective recruitment strategy to ensure a sufficient forestry workforce.

Finally, through the Wildland Fire appropriation, the BIA is responsible for providing resources for fire management programs that reduce the risk of fires, and protect valuable natural resources, including timber, once a fire starts. On average, BIA obligates around $75 million per year for fire suppression alone, employing approximately 7,000 employees annually, many of whom are Native Americans and Alaska Natives.

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Tribal Unemployment Question

15. What is the unemployment rate in Indian Country, or put another way, what is the unemployment rate of Indians who live in reservation communities? Has unemployment improved since 2009 and if so, by how much?

Many large reservation communities say their unemployment rates are 50% and higher and little to no improvement has occurred under the Obama Administration. Why doesn't BIA have an adequate system in place to track unemployment on reservations and what steps is your agency taking to get tribal members back to work?

Response: The BIA reports on employment in Indian Country as part of its Population and Labor Force Report, and the most updated version of that report – for 2013 – was made available in January 2014. That report is available at:
http://www.indianaffairs.gov/cs/groups/public/documents/text/idc1-024782.pdf

This report provides estimates of the proportion of people who are available for work but are not working. The 2013 report used employment estimates based on publically available statistics from the Census Bureau. Because of the lack of data for each specific tribe, census data often is the only available data. To address the gap in data, the FY2016 Budget includes an increase of $12 million for BIA to work with tribes and other federal agencies, such as the Census Bureau, to help address long-standing concerns tribes have expressed with the quality of data in Indian Country.

In general, across all of Indian Country about 49-50 percent of all Native Americans in or near the tribal areas of federally recognized tribes, who are 16 years or older, are employed. Many of these individuals, however, are employed only part-time. According to the report, in several states, among those who are 16 years or older and who are living in or near the tribal areas of federally recognized tribes, less than 50 percent of Natives Americans are working. These states include Alaska, Arizona, California, Maine, Minnesota, Montana, New Mexico, North Dakota, South Dakota, and Utah.

In general and as we have noted in the past, there are a number of barriers to economic development in Native Communities. For example, the opportunity to develop robust economic growth is closely tied to access to transportation and related infrastructure. There is also a lack of collateral with which tribes and reservation businesses can obtain capital; of a business development environment; and a difficulty in developing natural resources due to multiple governments having regulatory and taxing jurisdiction over development. Many of these roadblocks are products of the history of federal-state-tribal relations and have tribe-specific nuances that must be addressed on an individual tribe-by-tribe basis.

Tribes must be the driving force behind federal policies targeted toward job creation and economic development in Indian Country, consistent with the policy of Indian self-determination. However, the development of strong and prosperous Native American economies

is also a priority for this Administration. The Bureau of Indian Affairs' Office of Indian Energy and Economic Development is working to stimulate economies, foster job creation, and improve the quality of life in Native American and Alaska Native communities.

Black Mesa Pipeline Questions

16. What potential solutions are being looked at in the Grand Canyon National Park water delivery system study?

- **What are the estimated costs, understanding the study isn't yet complete, of these solutions?**
- **Have you looked at any other alternatives that could provide a solution at a lower cost?**
- **Have any representatives from the GCNP met with individuals regarding utilizing the Black Mesa Pipeline to deliver water to the Grand Canyon region? *(YES, Uberuaga in 2013)***
- **If an alternative utilizing the Black Mesa Pipeline to deliver water to Northern Arizona was deemed viable:**
  - **Would the State of Arizona benefit from water users in Northern Arizona, including the Park, no longer utilizing groundwater?**
  - **Would the Department of Interior benefit from a potential Navajo Nation and Hopi Tribe water delivery solution?**
  - **Would the public benefit from the savings generated by avoiding the cost of a new taxpayer-funded water delivery system constructed solely for the Park?**
- **Understanding you are looking at a variety of alternatives, is the Department willing to be a stakeholder in future Black Mesa pipeline feasibility discussions?**

Response: Response: The Trans-Canyon Pipeline was built in the mid-1960s and feeds water from Roaring Springs to Grand Canyon National Park. As the pipeline ages, the frequency of leaks, fissures and breaks has increased; a small portion of the pipeline at Phantom Ranch is currently being repaired. The NPS is currently conducting pre-planning work, including engineering and hydrology studies, to establish baseline information about the water supply at Grand Canyon National Park, which will inform any decisions on a replacement of the entire pipeline. A current estimate on the cost of a full replacement of the pipeline ranges from $138,000,000 to $168,000,000, depending on the year of construction and the number of phases necessary to complete the project. The NPS intends to begin the NEPA process with public scoping this summer, and hopes to have a recommendation for a preferred NEPA alternative which will provide information needed to proceed with project development and cost estimates by late 2016.

The park is a member of the Colorado Plateau Watershed Partnership and the Colorado Plateau Watershed Advisory Council. These are regional, collaborative workgroups to

address regional water issues that include representatives from county, city, state and federal agencies. These groups have considered various options for providing water to the park and surrounding communities. However, a viable method for providing water to the park on a regional basis has not been determined at this time. The NPS will continue to evaluate all options to ensure that the park's maintains an appropriate water supply.

Mining Questions

17. Secretary Jewell, are you aware of the Nation's dependence on foreign critical mineral resources?

The reason I ask is that your Budget proposes to make broad changes to the locatable minerals program that in my view would weaken the domestic mining industry and make the U.S. more dependent on foreign sources of minerals than we already are.

According to the USGS in 2014 we were dependent on other Nation's for 72 different mineral commodities. More than double our dependence 30 years ago.
I have a copy of the "2014 U.S. Net Import Reliance" chart from the USGS 2015 Mineral Commodity Summaries report that I would like to have entered into the record.

One of your Budget proposals is to increase the claim location and maintenance fees. By law these fees are already adjusted every five years according to the CPI. The new fees just went into place September 1, 2014.

According to the Budget Justification documents; "The number of mining claims recorded for the 2014 assessment year has declined 13 percent since 2013 and 19 percent from 2012. The justification goes on to say;

"The mining industry's domestic activity levels are dependent upon commodity prices. Companies engaged in exploration are known in the industry as junior mining companies and require millions in venture capital. These companies do not own mines, have no regular revenue streams, and rely significantly on investor financing. These companies invest millions locating mining claims and exploring public lands. When commodity prices are in decline, investment dollars are hard to find, and junior mining companies begin to cut costs usually leading to a reduction in mining claims."

Response: The United States imports many mineral commodities, including rare-earth elements, from other countries, including 19 commodities such as indium, niobium, and tantalum for which we are 100 percent reliant on foreign sources. As such, the Department of the Interior supports the goal of facilitating the development of critical minerals in an environmentally responsible manner. Specifically, the U.S. Geological Survey is conducting research to understand the geologic processes that have concentrated known mineral resources at specific localities in the

Earth's crust and to estimate (or assess) quantities, qualities, and areas of undiscovered mineral resources, or potential future supply.

The proposal to institute a leasing program under the Mineral Leasing Act of 1920 and ensure a fair return to American taxpayers for publicly-owned resources would apply to gold, silver, lead, zinc, copper, uranium, and molybdenum. Although there is no federal government-wide definition of "critical minerals", the minerals covered by the proposal are not the type of rare earth-earth elements the Nation relies upon foreign sources to provide. Although mining claims for major commodities are experiencing a decline based on the decline of major commodity prices, the BLM continues to experience interest from the mining industry to locate and discover domestic supplies of "technology metals", which include rare earth elements. These types of rare earth elements would not be covered by the proposed leasing program.

18. Given this documentation from your agency's own budget proposal, how can you justify raising these fees again?

Response: The 2016 budget proposal referenced in the question would institute a leasing process under the Mineral Leasing Act of 1920 for certain minerals currently covered by the General Mining Law of 1872. Holders of existing mining claims for these minerals would be exempt from the change to a leasing system, but could voluntarily convert their claims to leases. The proposal would also increase the annual maintenance fee assessed under the Mining Law and would eliminate the Secretary's discretion to offer a fee waiver for mining claimants holding ten or fewer mining claims. These changes are intended to discourage speculators from holding claims that they do not intend to develop.

Your budget proposes an Abandoned Mined Land (AML) Fee on all hardrock mines that would be applied to every ton of material moved – even if it is not mineralized. While coal is charged on a per ton basis – it's on the coal, not overburden or other material moved and varies depending on if it's an underground or surface mine.

19. How large of a fee are you considering? Will it vary by commodity – gold, silver, copper; nature of the operation - underground operation or surface mine or any other factors?

Response: The proposed hardrock AML reclamation program is part of a larger effort to ensure the Nation's most dangerous abandoned coal and hardrock AML sites are addressed by the industries responsible for the reclamation of these sites. The legislative proposal will levy an AML fee on uranium and metallic mines on both public and private lands. The proposed AML fee on the production of hardrock minerals will be charged on the volume of material displaced after January 1, 2016. The receipts will be split between federal and non-federal lands. The Secretary will disperse the share of non-federal funds to each state and tribe based on need. Each state and tribe will select its own priority projects using established national criteria.

20. Have you conducted any kind of economic analysis to see what the impact on the industry would be?

21. Have you taken into consideration the Federal Government's contribution to the AML problem?

> ***For example, just last year we passed into law the Three Kids Mine Act that allowed for the transfer of this abandoned site to the City of Henderson, Nevada for cleanup, reclamation and redevelopment. The United States, through the Defense Plant Corporation, owned 446 acres of the Three Kids Mine Project site from 1942 to 1955. The mine site was used to produce federally-owned manganese ore for national defense purposes and was leased by the United States until 2003 to stockpile manganese nodules.***

Response to Question 20 and 21: As noted in response to the previous question, the proposed hardrock AML reclamation program will operate in parallel with the coal AML reclamation program as part of a larger effort to ensure the Nation's most dangerous abandoned coal and hardrock AML sites are addressed. The Three Kids Mine Remediation and Reclamation Act presents a model of cooperation to find solutions to the complex challenge of remediating these sites.

Oil and Natural Gas Leases and NEPA Questions

22. Lead-in: The President likes to tout the fact that oil and natural gas production has increased in recent years. The president neglects to let the American people know that this is a result of industry and production on private lands and in spite of the failed polices of this administration and the federal government. In fact, BLM issued fewer new oil and natural gas leases last year than in any year since 1998.

- **Do you believe your policies are actually encouraging development on federal lands and how do you justify issuing the lowest # of new oil and natural gas leases since 1998?**

Response: Oil and gas production is driven by economic and geologic considerations of the companies developing these resources, and the BLM provides significant opportunity for industry through leasing on public lands and permitting on public and tribal lands.

During the last fiscal year, the BLM offered over 5.5 million acres for leasing, yet industry only bid on roughly 900,000 acres or 16 percent of the total acreage offered. Excluding Alaska, the BLM offered roughly 1.22 million acres, yet industry only bid on 674,084 of those acres or 55 percent. Nearly all of the parcels offered for lease in the lower 48 states were based on industry expressions of interest. On the exploration and development front, the BLM approved 4,400 drilling permits in FY 2014, but nearly a third of these went unused. In fact, industry currently holds roughly 6,000 valid permits to drill wells that have not yet been drilled. This number represents two years' worth of drilling permits that are available for use immediately.

According to data from the Office of Natural Resources Revenue, oil production from federal lands increased 8.5 percent from FY2013 to FY2014. Including both federal and Indian lands over which the BLM has permitting responsibilities, oil production increased 11.5 percent over that period. Looking from FY2008 to FY2014, oil production from federal and Indian lands increased 81 percent, from 113 million barrels to 205 million barrels. Where we have seen declines in natural gas, those numbers track statewide trends in the Western states (e.g., New Mexico and Wyoming). The fundamental point is the same: oil and gas production follows market trends and geology rather than land ownership patterns.

- **Has it ever occurred to you that industry has decided not to pursue leases on federal lands in abundance because of your failed policies?**

Response: The production of oil and gas is a business decision largely driven by market factors and resource considerations. For example, in the Fort Berthold Indian Reservation, where the BLM serves as the permitting agency, oil production has soared more than five-fold since 2008. This is due to its location above the Bakken shale and the favorable economics associated with developing that resource. In the case of natural gas, many of the rural Western fields where most of the federal onshore production is located – because of their location relative to markets – are less economically competitive under current, lower prices compared to where they were a few years ago. We have seen a decrease in production from those fields that largely tracks trends seen on nearby state and private lands.

- **What is the average time it takes to process a permit on federal lands?**

Response: In FY 2014, BLM Application for Permit to Drill (APD) approval time averaged 227 days nationwide. Approximately 133 days of the total APD approval time is associated with applicant submission of supplemental or missing information and 94 days is associated BLM processing, which includes the analysis of often complex resource issues and preparation of environmental documents.

- **Do you know how long it takes states to do the same processing for their lands?**

Response: The Department does not track state permit processing times.

23. Last year the Government Accountability Office released a comprehensive audit of the National Environmental Policy Act also known as NEPA. GAO found that there is currently no system in place for the federal government to track costs, time and other important data associated with performing NEPA reviews.

- **How many NEPA reviews did your agency perform last year?**
- **What is the total average cost for performing a NEPA analysis?**
- **What is the average time it takes your agency to conduct and environmental impact statement and do you have a goal of what you'd like this average time to be?**

Response: As noted in the GAO report, the Department does not collect this information.

Inspector General Reports

24. It was reported last year that Interior Department's Inspector General performed 457 investigations in 2013. Of these 457 investigations, 261 were redacted and only three reports were release to the general public. I repeat 3 out of 457. We have held hearings and heard testimony from the IG that your department is constantly blocking their efforts and investigations.

Why the lack of transparency and why aren't more Interior Inspector General reports released to the general public?

Response: A copy of this question has been forwarded to the Department's Office of Inspector General (OIG). The Department respects both the role of the Inspector General in preventing and detecting fraud, waste, and mismanagement at the Department, among other things and the independence with which the OIG must perform its important statutory mission. The Department recognizes that the Inspector General Act requires that the Inspector General have access to all information within the Department relating to its programs and operations and actively supports the OIG in their investigations to ensure they receive all of the information from the Department they need. The Deputy IG testified before the House Natural Resources Committee on September 11, 2014, and said that she did not sign a recent letter signed by several Inspectors General that was critical of agencies for not supporting IG investigations because this is not a problem at the Department. In deference to its independence, the Department defers to the OIG to answer the question as it relates to the publication of reports of investigation.

Travel Budget

25. What is the total estimated travel budget for the Department of Interior for fiscal year 2016? How much did the Department spend on total travel expenses in fiscal year 2015?

Response: The Department has responsibilities across the nation and travel is necessary for our programs. The Department does not specifically budget for travel activity separately. However, the Department does monitor travel expenditures closely. In FY 2014, the Department spent $150 million on travel activities, which includes relocation costs and represents, less than 1 percent of total FY 2014 expenditure activity. FY 2015 is not yet complete but is on track for a similar amount ($78 million as of 3/26/15).

Conferences

26. What is the total estimated budget that the Department of the Interior will spend on conferences in fiscal year 2016 and how many conferences does the Department plan to hold this year?

- **How does this compare to last year?**
- **Specifically, how many conferences did the Department hold in fiscal year 2015 and what were total conference expenditures for fiscal year 2015?**

Response: The Department does not specifically budget for conference activity and does not have an estimate for FY 2016. The Department monitors expenditures for conference activity closely. In FY 2014, the most recent year of completed execution, the Department spent $10.1 million on hosting or attending conferences. For FY 2015, which is not yet complete, as of 3/26/15 Department personnel attended 122 conferences totaling $9.5 million. This includes amounts reimbursed to the Department from hosted conferences, so actual expenditures will be less.

Bonuses

27. How much money did the Department spend on bonuses for employee personnel in fiscal year 2015?

- **How much does the department estimate it will spend in fiscal year 2016?**

Response: At the end of FY 2014, the most current year of completed execution, the Department spent $56.6 million on awards and bonuses; when compared against 64,405 Full Time Equivalents (FTE) used in FY 2014, this averages about $878 per FTE. We do not have estimates at this time for FY 2015 and FY 2016 as amounts will be determined by staffing levels and performance achieved.

Climate Change

28. How much money does the Department plan to spend in fiscal year 2016 on climate change policies?

Response: The Department is dedicated to implementing the President's Climate Action Plan and the Climate and Natural Resources Priority Agenda, among other initiatives. In addressing global climate change, the Department provides science to help anticipate, monitor, and adapt to climate and ecologically-driven changes to lands, water, and other natural resources. Extreme weather events, including severe storms, wildfire, and drought, are expected to increase in both frequency and intensity in the future. As part of the Administration's effort to better understand and prepare for the impacts of a changing climate, the budget includes $195.3 million to increase

the resilience of communities and ecosystems to changing stressors, including flooding, sea level rise, and drought, including the following investments specifically dedicated to climate resiliency.

Coastal Resilience – The Department proposes an investment of $50.0 million for planning and technical assistance to communities, and tribes; and for projects to improve ecosystem and community resilience. Modeled after the Hurricane Sandy Competitive Grant program, the Department will fund coastal resilience projects that restore natural systems to support both ecosystem and community resilience and will focus on projects with a physical or ecological nexus to federal lands. This program will incorporate monitoring and performance requirements and will help add to the growing knowledge base on the performance of natural approaches to reducing coastal risks.

Challenge Cost-Share – The Challenge Cost-Share program is a 50:50 partner matching program that funds projects mutually beneficial to public lands and the cost-sharing partner. The Department proposes $30.0 million—split evenly between the BLM, NPS, and FWS—to leverage non-federal investments in projects that increase the resilience of landscapes to extreme weather events with a focus on inland challenges, including wildfire, flooding, and drought.

Tribal Land Resilience – The Department will provide government- wide leadership and funding to tribes in support of climate preparedness and resilience. Criteria for tribal funding will be developed and prioritized in consultation with tribes, Alaska Native Villages, and the interagency White House Council on Native American Affairs subgroup on climate. Funds will be used to develop science tools and training, conduct climate resilience planning, and implement actions to build resilience into infrastructure, land management, and community development activities. Funding will also support Alaska Native Villages in the Arctic in evaluating options for the long-term resilience of their communities.

Insular Areas and Resilience – The Department will work with other federal agencies serving the insular areas to support island communities in planning, preparing, and responding to the impacts of climate, including sea level rise. Climate change is an immediate and serious threat to the U.S.-affiliated insular areas. By their geography and mid-ocean locations, these island communities are on the frontline of climate change, yet among the least able to adapt and to respond to the expected far-reaching effects on island infrastructure, economic development, food security, natural and cultural resources, and local culture. An additional $7.0 million is requested to address the immediate threats in the insular areas related to sea level rise by supporting development of infrastructure and community resilience initiatives.

In addition, to support the understanding and managing of landscapes and to support climate resilience, the budget proposes $1.1 billion in research and development investments across the Department to improve scientific understanding, develop information and tools, and expand public access to this important information. Finally, the Department will continue working through the Arctic Executive Steering Committee referenced above to coordinate across the

federal government on promoting the resiliency of vulnerable communities in the Arctic that are experiencing directly the effects of climate change.

Endangered Species

29. How much money does the Department plan to spend on listings associated with the Endangered Species Act in fiscal year 2016?

Response: The U.S. Fish and Wildlife Service requested a total of $23,002,000 for the endangered species listing program.

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Questions from Rep. Newhouse

30. The Yakima River Basin in my State of Washington has for decades fought over water…water supplies, water rights, and water flows. When the dust settled, no one was winning. All sides to the argument – farmers, the Yakama Nation, cities and counties, and environmental groups – made the conscious decision to come together to plan for their collective future in developing the multi-decade Yakima Basin Integrated Plan. The Plan is part of the ongoing Yakima River Basin Water Enhancement Program at the Bureau of Reclamation, which has been successfully achieving water conservation and fish passage goals for several years. The Plan is ambitious in its scope and vision for the construction of new fish passage, water storage, watershed management, and water conservation infrastructure in the basin. The costs will be large, but in partnership with the State of Washington, Yakima Basin farmers, municipal governments, and the Yakama Nation, our limited federal dollars will be significantly leveraged with other non-federal funding to implement this Plan. In fact, the State of Washington has invested over $130 million in the Plan to date, and is looking at investing more.

a. **Reclamation has shown a modest increase in the FY2016 budget request for the Yakima River Basin Water Enhancement Program for the Integrated Plan, and has dedicated some FY2015 drought response dollars to the Plan as well, but not in an amount that commences implementation of the Plan at the speed and scale which proponents of the program argue the Yakima Basin must have in order to meet current and future water challenges. Is implementation of the Plan important to the Department of the Interior? What are your plans for providing adequate levels of funding in the coming years for the federal share of the implementation of the Integrated Plan?**

b. **With conflict over water shortages looming in many parts of the West due to the unmet competing demands for our limited water resources, and with the snowpack in the Yakima and other Western river basins much below average to date, do you see multi-stakeholder collaborative efforts like the Yakima Basin Integrated Plan becoming a solution to the water crises we are experiencing in the West and elsewhere in the Nation? If not, what is the answer to these water issues? But, if such collaborative solutions are the answer, then how can the federal government meaningfully partner with state, regional, local and tribal governments and private parties to help solve these problems and create the jobs, economy, fisheries and environment that will help this Nation achieve the economic prosperity, food security, and environmental restoration that our children and grandchildren will inherit from our generation?**

Response: The Yakima Basin Integrated Water Resource Management Plan is a great model for what can be done collaboratively by bringing together a diverse group of stakeholders to benefit fish and improve water reliability. The Integrated Plan represents the close work between the State of Washington, interested stakeholders, and the Federal Government to develop a plan of

action to deal with the long-term imbalance between water supply and demand in the Yakima Basin. If implemented, the Plan holds great promise to benefit environments, tribes, and agriculture within the Yakima Basin.

As noted in the question, the FY 2016 budget request provides approximately $5.4 million for Integrated Plan activities that are cost-effective and have a strong federal interest. Approximately $4.9 million would be used for construction of the Cle Elum Dam fish passage facilities, and $500,000 would be used for continued analysis to increase the reliability of the irrigation water supply. Looking forward, in addition to the Yakima Basin, there are several large scale river basins, such as the Colorado, Klamath, San Joaquin and Rio Grande to name just a few, that will likely need additional resources to fully implement various agreements. In order to financially support these types of water resources and ecosystem restoration initiatives, we will need further support from states and local communities, such as the $132 million provided by the State of Washington to support the Integrated Plan.

31. A law was passed by Congress and enacted into law last year establishing a Manhattan Project National Park comprised of historic facilities like Hanford's B Reactor. Is the Department committed to taking the actions necessary to establish this Park – including working with the local communities, finalizing the appropriate MOU's and requesting the necessary funding required to carry out the Department's responsibilities under the law?

Response: The Department is committed to meeting the December 19, 2015, deadline for establishing the park. As required by the Act, the NPS and the Department of Energy are working on a memorandum of agreement that will govern roles and responsibilities for the DOE facilities in the new park, including provisions for enhanced public access, management, interpretation, and historic preservation. A meeting between the agencies was held on February 12, 2015 at DOE Headquarters. The NPS and Department of Energy interagency team conducted site visits and public open houses in Oak Ridge, Tennessee on March, 25-26, 2015, and in Hanford, Washington on April 14-16, 2015.The team will conduct a site visit in Los Alamos, New Mexico on June 2-4, 2015. The NPS is committed to civic engagement and will ensure that there are various opportunities for public participation, including consultation with state, tribal, county, and local governments and other stakeholders during the planning process.

32. On June 13, 2013, the Department of Interior and the U.S. Fish and Wildlife Service (USFWS) released a proposed rule that would have removed the gray wolf from the "List of Endangered and Threatened Wildlife." This determination was made after USFWS "evaluated the classification status of gray wolves currently listed in the contiguous United States and Mexico under the Endangered Species Act of 1973" and found the "best available scientific and commercial information indicates that the currently listed entity is not a valid species under the Act," according to the proposed rule (Docket No. FWS–HQ–ES–2013–0073). Yet since the proposed rule was released, Interior has not followed through on this effort, despite the resounding evidence included in the proposed rule in support of such a delisting effort.

a. **Can you please explain the rationale behind this decision to not proceed with the proposed rule?**

b. **Can you provide a timeline of when Interior and USFWS plan to move forward with this delisting effort for the gray wolf in the continental U.S.?**

Response: The FWS received over 1 million comments during the nearly eight month public comment period. Evaluating and responding to such an unprecedented volume of comments, as is necessary before developing a final rule, was a monumental challenge and has severely strained the limited resources of the FWS. The FWS continues to work to complete that effort. In addition, on September 23, 2014, and December 19, 2014, separate D.C. District Court judges issued orders vacating FWS decisions to delist, and reinstating ESA protections for, gray wolf populations in Wyoming and the western Great Lakes states. As a result of these court orders, gray wolves in Wyoming and the western Great Lakes are again listed under the Endangered Species Act. The FWS will consider the effect of these decisions upon its proposed rule before taking action to finalize or revise the rule.

33. The statutory purpose of ESA is to recover species to the point where they are no longer considered "endangered" or "threatened." The gray wolf is currently found in nearly fifty countries around the world and has been placed in the classification of "least concern" globally for risk of extinction by the Species Survival Commission Wolf Specialist Group of the International Union for Conservation Nature (IUCN). Is it the position of the Department of Interior that the gray wolf is still considered "endangered" or "threatened"? If not, is there another explanation for failing to move forward with the proposed rule?

Response: The ESA requires that the FWS make listing determinations not just at the biological-species level, but also at the level of subspecies and "distinct population segments." The gray wolf has never been listed based on its worldwide status as a biological species—it has only been listed south of the U.S.–Canada border. With respect to the wolves south of that border, the FWS has found that gray wolves in the Northern Rocky Mountain states, including Wyoming, and the western Great Lakes states had recovered and no longer warranted listing as threatened or endangered species. The FWS also found that the Mexican wolf, a subspecies of the gray wolf, warranted separate listing as an endangered subspecies. On the basis of those findings, the FWS issued the June 2013 proposal to delist gray wolves elsewhere in the lower contiguous 48 states. As noted above, the unprecedented number of public comments on that proposal and two District Court decisions vacating our previous delisting of wolves in Wyoming and the western Great Lakes have thus far prevented the FWS from making a final determination on the proposed nationwide delisting rule.

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Questions from Rep. Zinke

34. Secretary Jewell, over 130,000 Montanans receive their power from the Bonneville Power Administration through their local electric cooperatives. These ratepayers and millions throughout the northwest bear the burden of programs and obligations related to the Columbia River Treaty. As you know, the Department of the Interior was involved in writing the U.S. Entity Regional Recommendation for the Future of the Columbia River Treaty after 2024, which was delivered to the Department of State in December 2014. I understand that last year, a number of concerns were expressed about the Interior Department's role in the Treaty negotiations, for what primarily was between the Department of Energy and the Corps of Engineers' responsibility with the State Department. Please explain what Interior is doing to reduce the financial impact of the Treaty on the BPA customers in Montana that I represent and what Interior is doing to ensure that its views are similar to the Department of Energy.

Response: The Administration's position on the U.S. Entity's regional recommendations concerning the future of the Columbia River Treaty remains under consideration. The Department recognizes that the U.S. Entity sees opportunities to better meet future needs and changing values through "modernizing" the Treaty in several important areas, including rebalancing the Canadian Entitlement to ensure an equitable sharing of the downstream power benefits. As inter-agency discussions continue, the Department will continue to consider the financial impact of the Treaty on BPA customers.

35. In 2011, the Service agreed to combine and settle several ESA multi-district lawsuits with two serial plaintiffs, Wild Earth Guardians and the Center for Biological Diversity. As a result of the settlement agreement, the Service was required to develop a work plan that will result in final ESA listing determinations for over 250 candidate, and hundreds of other petitioned species, over a period of six years. The agreement, which was negotiated and settled without input from the public, has already resulted in the listing of dozens of species under the ESA and will likely result in dozens more. It does not appear that the President's Budget request specifies how much the Fish & Wildlife Service will spend on listing-related activities as a direct result of the 2011 multi-district litigation settlement agreement.

- **How much will be spent for that purpose in FY 2016?**
- **Can you give me a general idea of the percentage of the listing budget that will be used for listing determinations mandated under the settlement agreement?**
- **How many species has the Service listed (and not listed) under the ESA as a result of the multi-district litigation settlement agreement?**
- **Can you give me a general idea of the percentage of those that have been listed versus not listed as a result of the settlement agreement?**
- **How many more can we expect to be listed in 2015?**
- **How many of those do you expect to be listed as threatened or endangered?**

Response: The MDL settlements have served to make the listing activities required by the Endangered Species Act more predictable and have allowed the FWS to focus more of their limited resources on actions that provide the most conservation benefit to the species that are most in need of help. The MDL settlement committed the FWS to make the listing determinations required by the ESA for the 251 species that were already candidates for listing on a workable and publicly available schedule. The settlements did not commit the FWS to add these species to the list; rather, they committed the FWS to make a determination by a date certain as to whether listing was still warranted and, if so, to publish a proposed rule to initiate the rulemaking process of adding a species to the list.

The FWS has requested a total of $23,002,000 for the endangered species listing program in FY16. Of that, up to $4,605,000 would be available for designation of critical habitat for already listed species, up to $1,504,000 for foreign listings, up to $1,501,000 for petitions, leaving at least $15,392,000 to be available for domestic listings and various program management functions that are largely focused on species that are part of the settlement. The remaining funding for domestic listings will be used to determine whether listing of species on our candidate list is still warranted and, if so, to determine through a rulemaking process whether they should be listed as threatened or endangered species, as is required under the Act and committed to under the terms of the settlement agreements.

As of March 10, 2015, the FWS had addressed the status of 167 of the 251 candidate species at issue – 121 species have been added to the list, 11 species are currently proposed for listing, and 35 species have been found to not warrant listing. By the end of FY 2015, the FWS anticipates the cumulative total of listing determinations or not- warranted findings for 220 species. During FY 2016, the FWS expects to complete proposed listing determinations or not- warranted findings for the remaining 31 species identified in the settlement agreement. In advance of working through the rulemaking process, the FWS cannot speculate on how many of the remaining species will ultimately be listed as threatened or endangered. The FWS is making final listing determinations in accordance with the statutory deadlines

The FWS has created tools to enlist the cooperation of private landowners and others in conservation efforts before species are listed, and landowners have used those tools. An example of this was the FWS's decision to withdraw the listing proposal for the dunes sagebrush lizard in Texas and New Mexico. Although the FWS had originally proposed to list the lizard as an endangered species, in the end, because of the substantial acreage encompassed by Candidate Conservation Agreements, the FWS concluded that those agreements had sufficiently ameliorated the threats to that species so as to preclude the need to list it.

36. Secretary Jewell, in your testimony in front of the Senate Energy and Natural Resources Committee, in referring to the new coal valuation rule, you stated that the proposed rule will "streamline and make the process more efficient...and provide more certainty (for industry) while also providing more certainty on the return we should be getting for the American people".

I am a little confused with this statement and reconciling it with the draft rule from ONRR. Under the rule, companies using affiliates will be forced to use a "netback" system to determine the royalty. As you know, a netback is a complex calculation with significant latitude for differences in calculation methodologies, uncertainty, and interpretation. In addition, under the draft rule ONRR is allowed a "default provision" in assessment of the value of coal which need not be based on any objective criteria or comparative market value obtained at the mine.

- **With this information, can you please explain how the new rule will "streamline and make the process more efficient"?**

Response: Coal produced on our public lands is an important part of our domestic energy portfolio. As manager of this public resource, we are obligated to ensure that American taxpayers, who own the resources, receive a fair market value for its production. With the proposed rule, the Department reaffirms that the value, for royalty purposes, of coal produced from federal and Indian leases is determined where there are arm's-length contracts. An arm's-length sale involves a sales contract or agreement between independent persons who are not affiliates and who have opposing economic interests regarding the contract or sale.

For non-arm's length transactions – sales to an affiliated company - the current regulations may require a company to follow benchmarks when it sells its product in a non-arm's length transaction. The benchmarks are applied sequentially and include such factors as comparable arm's-length sales, prices reported to public utility commissions and the Federal Energy Regulatory Commission, other relevant matters and a netback calculation.

Based on comments received on the Advanced Notice of Proposed Rulemaking, ONRR proposes to streamline the process by eliminating the current benchmarks for these non-arm's length transactions and proposing to value coal based on the gross proceeds received from the first arm's-length sale. ONRR also proposes to value sales of coal between coal cooperative members using the first arm's-length sale or a netback methodology.

The proposed coal rule also adds a "default provision" similar to that used in oil and gas regulations providing that ONRR may determine value or transportation and washing allowances in cases of misconduct, unreasonably high allowance claims, failure to provide documentation, and where no written contract exists.

In its proposed rule, ONRR is seeking a broad range of public comments on the potential impacts of the proposed changes.

37. OSM's budget justification document notes that States and Tribes directly regulate 97 percent of the Nation's coal production under approved regulatory programs. The agency's budget also notes the reduced workload anticipated by OSM. With the states responsible for most of the regulatory work why does OSM ask for $5.5 million more for itself while cutting the states grants by more than $3 million? In February you testified before the House Interior Appropriations Subcommittee that this $3 million reduction

reflects a lack of need or request on behalf of the states. If the states are in need of that money will you retain it in their grant funding?

- **What is OSM planning to use the extra $5.5 million for?**
- **With fewer coal mines producing today than two years ago, it would seem that OSM should be cutting its own budget not increasing it. Has OSM done any analysis of the trends in operating coal mines over the past few years and adjusted its budget to match the trend?**

Response: OSMRE's budget request of $65.5 million is expected to fund the federal share of state and tribal regulatory programs at the maximum level allowable under SMCRA. It does not represent a loss of regulatory grant funding. Appropriate prior year carryover funds will be provided in the event of any shortage.

For the Regulation and Technology Account, OSMRE is requesting a net increase of $5.7 million, including funding for fixed costs for pay and other items, and funding for program monitoring and support services. The programmatic increases support improvements and investments in technology to better implement SMCRA.

OSMRE has assessed its requirements to review, inspect, and maintain permits as part of its proposed Federal Cost Recovery Rule and has recommended reductions in its budget based on the estimated costs to carry out those functions where OSMRE is the regulatory authority. Where OSMRE conducts state program evaluations, staff in its regions conduct an annual analysis of staffing needs for oversight and inspections based on the number of inspectable units. Staff work with State Regulatory Authorities and tribal leaders in developing annual plans. Reductions in compliance reviews due to fewer operations are considered during these discussions. The majority of the increases requested in OSMRE's FY 2016 Budget will invest in technology and technical expertise to support the regulatory and reclamation operations.

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Questions from Rep. MacArthur

38. What specific action is the Department taking to help the Pineland National Reserve combat the invasive Southern Pine Beetle

- **Since the Pineland National Reserve is not a national park itself, but an affiliated national reserve, what can be done to ensure it still receives the support it needs?**
- **Have you coordinated with the Pinelands Commission on best practices and eradication efforts on the Southern Pine Beetle?**

Response: While the principal agency responsible for the suppression of the beetle is the New Jersey Department of Environmental Protection, the Department is actively involved with assisting the effort to eradicate the Southern Pine Beetle in the Pinelands National Reserve. As an affiliated area of the National Park Service, it receives assistance but it is not managed by the NPS. The Department coordinates closely the New Jersey Pinelands Commission, which manages the Reserve, and our appointee to the Commission is a NPS employee.

The Commission also works closely with the State agency, and several other federal agencies, including the U.S. Forest Service, the U.S. Geological Survey, the Environmental Protection Agency, assist in providing research, information, technical guidance, and financial assistance to the DEP and the Commission.

39. Do you think allowing the Department more authority to regulate natural gas pipelines through national parks would be helpful?

- **Isn't the Department typically in charge of permitting activities on federal lands since it has the staff and expertise to do so? Much in the same way it does permit on national parks for electrical facilities, communication facilities, mining facilities, telegraph lines and water flumes?**
- **Does it make sense to you that Congress, a legislative body, is responsible for permitting site specific projects rather than the Department, a permitting body?**
- **Seeing as these authorities are specifically enumerated is it possible natural gas pipelines were not included simply as a product of the time when the legislation was enacted in the early 20th century?**

Response: To protect the integrity, resources, values, and public health and safety of those resources, we believe it is appropriate for a decision about authorizing a specific pipeline through a specific park to be made by Congress, rather than be made administratively. Unlike some other lands administered by other federal land management agencies, national parks are lands that have been set aside explicitly for the protection of resources. The significant, industrial-scale infrastructure associated with the transportation of oil and gas products through pipelines is inconsistent with the conservation mandate set forth in the NPS Organic Act, an inconsistency

recognized by Congress in 1973 when it passed the 1973 amendments to the Mineral Leasing Act.

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Questions from Rep. Mooney

40. The President's POWER + Plan, "investing in communities impacted by energy development," proposes to take $1 billion from the "remaining unappropriated balance" of the Office of Surface Mining's (OSM) Abandoned Mine Land (AML) fund to facilitate the revitalization of economically depressed coalfield communities. Where do you expect this $1 billion to come from given that current law provides these funds to states, starting in 2022, for sites that pose significant risk to human health and safety?

Response: The President's Budget proposes to accelerate the disbursement of $1 billion, over 5 years, from unappropriated balances in the Abandoned Mine Reclamation Fund to states and tribes to expedite abandoned mine reclamation and create new development opportunities and new jobs in communities impacted by abandoned mine lands and mine drainage. While under existing law the unappropriated balance of the Fund will begin to be disbursed to states and tribes in 2023, the economic and environmental challenges faced by many coal communities are urgent, and therefore require strategic investments now that restore their lands and waters while creating the conditions for long-term economic growth and job creation.

41. OSM's budget proposes to raise the coal land reclamation fee to 1977 levels. Is the proposed tax increase an effort to shore up lost revenue due to the decline in coal production? Do you think raising taxes will increase the burden on the remaining coal operations and put production at further risk?

Response: When Congress passed SMCRA in 1977, it determined that abandoned mine lands and mine drainage adversely affect commerce and the public welfare by destroying or diminishing the utility of land for commercial, industrial, residential, recreational, agricultural, and forestry purposes. While progress has been made, significant un-reclaimed AML problem sites remain. In light of the number of remaining problems associated with the legacy of AML from coal mining, the budget proposes to return these coal fees to historic levels that will be used to continue the reclamation of priority abandoned mine sites.

42. Why do you think it is appropriate to take funding away from states while they are in the middle of addressing ongoing issues at AML sites?

Response: The AML Economic Revitalization Proposal would not take any funding from the existing AML Reclamation program for any states addressing unreclaimed coal AML sites. The proposal does not change the allocation formula or eligibility requirements for the existing AML Reclamation program.

The proposal is designed to supplement the existing funding received by the states and tribes under the current law by accelerating the distribution of $1 billion of AML funding. The accelerated AML funding would be used by states and tribes for the reclamation of additional abandoned coal mine land sites and associated polluted waters with a focus on promoting economic diversification and development in economically distressed coal country communities.

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43. In the House Appropriations Subcommittee on Interior, Environment and Related Agencies hearing on February 25, 2015, you testified that OSM Director Joe Pizarchik "seems keenly interested in input from the states" in preparing the new stream buffer zone rule. However, on February 23, 2015, eleven of these same states, including my home state of West Virginia, wrote to OSM expressing their opinion that their role as cooperating agencies had been marginalized and threatening to withdraw from the process.

- **When was the last time OSM communicated with those cooperating states to solicit their input for the purpose of developing the rule?**
- **In your opinion, is OSM meeting its statutory obligations to the states under the National Environmental Policy Act and the Memorandums of Understanding to which it is a party?**

Response: When OSMRE prepared the 2008 stream buffer zone rule it did not include state coal mine regulators as cooperating agencies. However, when OSMRE began the development of the Stream Protection Rulemaking to replace the now-vacated 2008 rule, it included state regulators as cooperating agencies. This is believed to be the first time it has done so. The cooperating state regulators provided meaningful input and comments that are appreciated and helpful. OSMRE provided a status report to states as recently as October 2014. OSMRE is meeting its obligations to states.

44. On February 25, 2015, you testified before the House Appropriations Subcommittee on Interior, Environment and Related Agencies and when asked about the level of engagement between OSM and state cooperating agencies, you said that once the rule is published, you will grant the states an opportunity to provide input. Do you mean to suggest that you have chosen not to follow the requirements of NEPA and its implementing regulations to consult with the states prior to publication of a proposed rule?

Response: We will continue to comply with the law, including the requirements of NEPA, as the rulemaking moves forward. Once the proposed rule and draft EIS are published, OSMRE expects to receive comments from state cooperators, as well as other stakeholders, which will be considered before publication of a final rule.

45. Does OSM plan to uphold its legal obligation to cooperate with state agencies prior to the publication of the stream buffer zone rule? If yes, please describe this plan in detail.

Response: As noted in response to the previous question, we will continue to comply with the law, including the requirements of NEPA, as the rulemaking moves forward.

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Questions from Rep. Hardy

46. Secretary Jewell, the current grazing fee is $1.69. For the past couple of years, the President's Budget has recommended adding an additional grazing fee of $1 per animal unit month. This has been rightly rejected by Congress each year. For FY16, the President's Budget requests an additional fee of $2.50, jacking up the total fee $4.19.

Now, Secretary Jewell, I'm a former small-business owner. I know what it takes to put together a successful business plan, and that each dollar spent on compliance, taxes and fees is another dollar stripped from the bottom line. I also know that you led a successful private sector career, most recently as CEO of a major corporation. It is from this business perspective that I'd like to ask, does this fee hike make sense? Do you really expect ranchers to bear a 148 percent increase in grazing fees over the course of a single year?

Response: The proposed permit administration fee is separate and distinct from the current grazing fee, which is intended to serve primarily as compensation for the use of federal lands for private grazing operations and which largely supports range improvements and payments to state and county governments. The BLM intends to use the administration fee to help process permits and reduce the backlog of unprocessed permits, providing stability and predictability to permittees. Even if looking at the cumulative impact of the current grazing fee and new administration fee, BLM's proposed fees would still be less than most grazing fees on state lands, which in 2014 ranged from $2.78 to $11.41 an AUM, and much less than fees charged on private lands, which in 2014 ranged from $9.00 to $23.00 per AUM.

47. Please help me to understand something. In the President's budget you are proposing a per-AUM "administrative" fee for work that is done on a per-allotment basis. Something doesn't add up. Can you tell us how you plan to use this fee, and what specific "administrative" work it will be used to cover?

Response: As noted in the response to the previous question, the administration fee will be used to recover some of the cost of processing and administering grazing permits, consistent with the BLM's cost recovery approach for other permits and authorizations. The $2.50 administration fee will cover about half of those costs. For example, the BLM will use the administration fee to support processing pending applications for grazing permit renewals, which requires monitoring, land health evaluations, and NEPA analysis. An AUM is a reasonable proxy in this case because of both the simplicity of administration and because the more AUMs an allottee holds, the more complex the permit processing work is likely to be for that allotment.

48. On this grazing fee/tax, it sounds to me like you're robbing Peter to pay Paul and this time it's being done at the expense of the folks out there making a living off the public lands. Ranchers are some of your best resources for managing and monitoring the lands.

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Now, I've been out of the ranching business for some time, but I remember back when BLM used to look to collaborate with us and ensure that grazing policies had the buy-in of folks on the ground. It seems like now, more and more, all we're getting are mandates from Washington on how to graze our cattle.

Do you recognize the importance of grazing to our economy, especially local economies in Nevada, our domestic food production, and livestock's role as an important management tool that can reduce fire and preserve sage steppe habitat? Furthermore, is it not the consumer who would bear the brunt of this new cost to grazers?

Response: Ranching is important to local economies in many communities around the country and particularly in the West. The permit administration fee will help the BLM continue to support that work. The permit administration fee proposal is based on the same cost recovery concept used to support the BLM's oil and gas and rights-of-way permitting programs. Under this concept, the users of the public lands would pay a fee for the processing of their permits and related work. The BLM will use receipts from the administration fee to process pending applications for grazing permit renewals.

49. To piggyback off this discussion of threats to sage steppe habitat, I understand that BLM and Fish & Wildlife will finalize their land use plan amendments for greater sage grouse over the next few months. The draft versions of these plans have been extremely restrictive, and if implemented as drafted, would severely hamper multiple-use activities across the species' range.

- **Does your Department understand and recognize the negative impact these revised plans will have on future multiple use activities on public lands across the West?**

Response: Development of the BLM's conservation planning strategy for the Greater Sage-Grouse and its habitat was driven by the bureau's multiple use and sustained yield mission, which requires a balance of resource management activities, including conservation of crucial wildlife habitat and permitting extractive resource uses. When final, the amended and revised Resource Management Plans will promote the continued economic vitality of the West and ensure the long-term viability of the Greater Sage-Grouse and other wildlife species on public lands. The Department is working closely with state governments and other partners to develop smart and effective conservation measures that will not only benefit the Greater Sage-Grouse, but preserve the Western way of life, protect other wildlife, and promote a balance between open space and development.

I believe those protections will come at the expense of future multiple-use activities on public lands that contain sage-grouse habitat. You mention in your written testimony that requested funding levels will, quote, "allow the bureau to facilitate collaboration and action on the ground as the best way to preserve wildlife" end quote. You also ask that Congress remove the rider on the FY15 Appropriations Act that prevents writing rules to list several species of sage grouse.

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I agree that collaboration with local and state stakeholders is absolutely critical for the development of a common-sense conservation strategy. With that being said, however, I'd like to gauge your outlook on the likelihood that the individual Western state plans sufficiently stave off a federal ESA listing for sage grouse species.

- **Wouldn't the rider further allow the Department to work with states on plans that reasonably balance ranching, mining, energy exploration and recreation interests, which are fundamentally Western, with sage steppe conservation?**

I must say that I stand alongside my fellow Westerners, on both sides of the aisle, in questioning the Department's motivations on this decision. It seems more an effort to slam the breaks on energy development than a crusade to save this desert fowl.

At the end of the day, we're talking about tens of thousands of jobs and billions of dollars in economic development, investment and productivity that are on the line. I just hope that the Department remembers that its rules and regulatory decisions have the potential to destroy countless everyday Nevadans' way of life.

Response: The Department is working closely with state governments and other partners to develop smart and effective conservation measures that will not only benefit the Greater Sage-Grouse, but preserve the Western way of life, protect other wildlife, and promote a balance between open space and development. The BLM's multiple use and sustained yield mission, which requires a balance of resource management activities, has driven the development of the BLM's conservation planning strategy for the Greater Sage-Grouse and its habitat. When final, the amended and revised Resource Management Plans will promote the continued economic vitality of the West and ensure the long-term viability of the Greater Sage-Grouse and other wildlife species on public lands.

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Questions from Rep. Napolitano

50. Many water agencies in the arid west are looking towards recycled water projects as the most cost effective solution to drought management; do you believe we should start to refocus our investments towards recycled water?

- **What does President Obama's budget do to support recycled water projects?**
- **How can an increase in funding impact the amount of water projects that can be introduced in the drought-stricken west?**

Response: The Department recognizes that water reuse is an essential tool in stretching the limited water supplies in the West. The Department's $20 million FY 2016 budget request for the Title XVI program reflects the need to prioritize limited budget resources while enabling the significant non-federal cost share that continues to make the Title XVI program successful. Water reuse projects continue to be a valuable tool to address demand for scarce water resources. An increase in funding would expedite the completion of authorized recycled water projects. However, an increase in funding would not lead to an increase in the number of water projects in the West, as Congressional authorization would be necessary to build any additional Title XVI projects.

51. What does President Obama's budget do to address the ongoing drought in the west?

- **Specifically Southern California?**

Response: Building on the additional $50 million provided by Congress in FY 2015 for western drought response, the Department's FY 2016 budget request includes $58.1 million for the Department's WaterSMART initiative to support water conservation initiatives and technological breakthroughs that promote water reuse, recycling, and conservation in partnership with states, tribes and other partners. The budget request includes $46.8 million for the U.S. Geological Survey's Water Availability and Use Science initiative, which supports USGS's role in the WaterSMART initiative focusing on streamflow information, drought, national hydrologic modeling, and water use information and research. The USGS budget also includes a $3.2 million increase for science to understand and respond to drought, a $4 million increase for water use information and research, a $2.5 million increase to study ecological water flows, a $1.3 million increase for streamflow information, and a $1.0 million increase to advance the National Groundwater Monitoring Network.

The WaterSMART initiative includes several components that directly or indirectly address drought in the West. This includes $23.4 million for WaterSMART grants to carry out water and energy efficiency improvements, including projects that save water; $2.5 million for the Drought Response and Comprehensive Drought Plans to improve our ability to assist states, tribes and local governments to prepare for and address drought in advance of a crisis; $4.2 million for the Water Conservation Field Services Program to encourage water conservation; and $20 million

for the Title XVI Water Reclamation and Reuse Program. In FY 2014, Southern California water providers benefited considerably from WaterSMART grants and Title XVI funding.

52. The State of California's water agencies have made a major effort during the drought to encourage consumers to purchase water-efficient products while Southern California is tapping into our groundwater and alternative water sources. There is a clear difference between how Northern California and Southern California have addressed these changes.

- **Does President Obama's budget do anything to encourage the use of water meters and conservation efforts for Northern California?**

Response: The WaterSMART grant program is an effective tool available to the Bureau of Reclamation to encourage water providers to utilize water conservation measures. Reclamation awarded $17.8 million for 36 WaterSMART grants in 2014. These projects were estimated to save about 67,000 acre-feet of water per year — enough water to serve a population of more than 250,000 people. Since 2009, about $134 million in federal funding for WaterSMART grants has been leveraged with approximately $290 million in non-federal cost share to implement more than $420 million in water management improvements across the West.

Priority is given to WaterSMART grant applicants that will conserve and use water more efficiently, increase the use of renewable energy, improve energy efficiency, benefit endangered and threatened species, facilitate water markets, carry out activities to address climate-related impacts on water or prevent any water-related crisis or conflict. Projects that include multiple public benefits are given the greatest consideration for funding. Although WaterSMART grant program funding does not prioritize awards based on geographical location, the types of conservation efforts that are underway in much of Southern California have translated into WaterSMART grant awards.

53. I Co-Chair the Cong, Youth ChalleNGe Caucus, which helps forgotten youth (ages 16-18) led by the National Guard personal, enhance life skills, education levels, employment potential, and prospects for the future.

- **President Obama's budget requests an increase $5 million for the BLM youth programs and partnerships called "Youth in the Great Outdoors." It emphasizes recruiting underserved urban youth, and these programs enable the agency to complete priority projects and develop the next generation of land management professionals. What is the name of the contact that runs the Great Outdoors program? I would like to connect them with the NGYCP.**
- **In California alone, cadets provide approximately 20,000 hours of community service. How can we connect these youth to volunteer groups that clean up our forests and trails? Are there any groups or contacts you recommend?**

Response: The Department's Office of Congressional and Legislative Affairs is available and happy to assist you and your staff in locating Department and agency staff contacts for any of the Department's programs. Engaging the American public, particularly young people, is and has been a key priority for the Department. As noted at the hearing, the future of the Country's natural, cultural, and historic heritage depends on the next generation of active stewards. The Department's budget includes $107.2 million for youth programs across the Department, a $45.5 million increase from the 2015 enacted level. Within this increase, $20.0 million is provided to NPS for youth activities, including bringing one million elementary school children from low-income areas to national parks. This increase will also fund dedicated youth coordinators to help enrich children and families' learning experiences at parks and online.

The goal is to reach 10 million children through recreation programs, an additional 10 million children through environmental education programs, one million volunteers caring for our lands, and 100,000 young adults and veterans working on public lands. The Secretary's goal is to raise $20 million for this endeavor. We are actively involving partners from the private and nonprofit sectors to join us in creating a movement that helps prepare the next generation of stewards, policy-makers and leaders. The Department has received support from companies like American Eagle Outfitters, Coca-Cola, CamelBak and The North Face.

54. In 2013, American Indians and Alaska Natives had the second highest overall suicide rate at 11.7 per 100,000 (American Foundation for Suicide Prevention). The White House Council on Native American Affairs released its "Blueprint for Reform" which is designed to restructure and redesign the Bureau of Indian Education. Does this redesign include the delivery on-site behavioral health services and inclusion of mental health services in general?

Response: The Bureau of Indian Education has a Suicide Prevention, Early Intervention, and Postvention Services policy that establishes responsibilities throughout the leadership of the agency. The responsible offices include the BIE Director, Associate Deputy Directors, School Safety Specialists, Program Specialist (Suspected Child Abuse and Neglect –(SCAN)), Education Line Officers, and School Principals.

In addition, within the BIE's Blueprint for Reform, the BIE aims to foster family, school, community, and organizational partnerships to provide the academic as well as the emotional and social supports BIE students need in order to learn. The BIE has been coordinating with other federal agencies to ensure services such as suicide intervention, prevention, and postvention are addressed at the school level.

Finally, the BIE has provided technical assistance and training for all BIE staff responsible for implementing the Suicide Prevention, Early Intervention, and Posttension Services policy. BIE also has an ADVP HIVAIDS Education Specialist (Behavioral Sciences) on staff to support system-wide efforts in reducing the risk of suicide and other acts of violence. Each of the three BIE regions is configured to include one School Safety Specialist to address specific suicide and acts of violence.

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Questions from Rep. Costa

55. If a Dam Safety improvement of a Central Valley Project (CVP) facility like San Luis Reservoir were to provide additional project benefits, would it be Reclamation practice to separate out those increased benefits for cost allocation only to the beneficiaries of those new improvements? Or does the integrated nature of the CVP dictate that the improvements be grouped together with all other CVP repayment costs, such that no CVP contractor is singly responsible for or exempt from partially repaying both the underlying facility costs as well as the new improvements?

Is Sisk Dam and San Luis reservoir owned by the United States?

If Sisk Dam is owned by the United States, would any seismic upgrades made under the Safety of Dams Act allocate the federal government 85 percent of the costs and all other beneficiaries covering their part of 15 percent of the cost? If not, please provide any precedents from other federal reclamation dams where this was not done. Also, please provide the statutory citation, policy explanation, and description of local outreach and expectations for excluding a subset of beneficiaries of San Luis reservoir from this program.

Response: Section 3 of the Reclamation Safety of Dams Act (PL 95-578) limits construction authority "for the purposes of dam safety". Although Congress authorized Reclamation to conduct feasibility studies, evaluation, and implementation of the San Luis Reservoir lowpoint improvement project to address risks associated with algal blooms and low reservoir levels, separate construction authority would be required to provide additional project benefits in conjunction with any dam safety construction action.

As for the cost allocation issue, Reclamation law provides that the Federal Government recoup a portion of its investment by requiring project beneficiaries to reimburse the government for certain costs. If Congress were to authorize the expansion of the San Luis Reservoir, Reclamation would determine the cost allocation based on whether the construction costs meet an individual project purpose or whether the costs are jointly shared by several project purposes.

B.F. Sisk Dam is owned by the Bureau of Reclamation and operated by the California Department of Water Resources (DWR). If a dam safety corrective action were required at B.F. Sisk to address seismic risk or any other safety risks, Reclamation would seek to negotiate an agreement with the State of California and water contractors for the repayment of costs. A Corrective Action Study is underway to determine the cost to correct the risk.

There are seven Reclamation dams specifically enumerated within the Safety of Dams Act where repayment for dam safety construction activities deviated from the 85% federal/15% local cost share prescribed in 4(c)(1) of the Act. Those facilities are enumerated in the Act with varying repayment provisions dictated by law.

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56. The current drought has demonstrated the devastating impact regulations have had upon the CVP's ability to cope with drought. During the 5 year drought of 1987 to 1992, CVP agricultural service water supply allocations were 100%, 100%, 50%, 25%, and 25%. In the 20 years since that drought, numerous State and federal regulations have been imposed rededicating existing water supplies to environmental management and limiting the operational capacity of the CVP to capture water when present. The result is stark when we review recent CVP ag service allocations, which, beginning in the 9th wettest year on record – 2011 – were 80%, 40%, 20%, and 0%, with an initial allocation of another 0% announced for 2015. It seems clear that regulatory reform is essential to providing the CVP the ability to meet its contractual obligations.

- **Madame Secretary, can you explain why, even in years like 2011, the 9th wettest year in our over 100 year historical record, the CVP is not able to meet its contractual obligations to Valley farmers?**

Response: The hydrology in California is the principle reason for reduced water supply allocations to agricultural and other CVP contractors. In the case of 2011, water quality requirements in the Delta, reduced carryover storage from dry years in 2009 and 2010 and, to a lesser degree, requirements for compliance with the Endangered Species Act were the principal reason for the 80% allocation to south of Delta agricultural water service contractors. Over the course of an average year, the State and federal projects in California export roughly five million acre feet from the Delta for delivery through the Central Valley Project and State Water Project. In 2014 the projects were only able to export about two million acre feet pumped, leaving the projects with a deficit of about three million acre feet of water that was unable to be exported from the Delta. Reclamation's analysis for 2014 is that about 62,000 acre feet of that three million acre feet deficit were directed to Endangered Species Act compliance. The vast majority of the reduction is because drought has vastly reduced Delta inflows. In 2013 the foregone exports were slightly larger, at about 330,000 acre feet, but still not the primary source of reduced allocations.

The CVP has over nine million acre feet of water under contract for all purposes, including municipal and industrial supplies, senior water rights holders and refuges. Throughout the history of the CVP, drought years have always reduced water service contract amounts, as they continue to do so today. In 1977, 1991, and 1992 before the listing of Delta fish species under the Endangered Species Act (1993 for Smelt), south of Delta agricultural service contractors were allocated 25% of contract amounts. In 1994, the allocation was 35%. It is also important to note that in addition to the CVP's agricultural water service contractors, a significant percentage of the CVP's yield is allocated to senior water rights contractors on the Sacramento and San Joaquin Rivers, and in the 2011 example cited in this question, those contractors received 100% of their contract volumes.

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57. For over 20 years, ever increasing layers of regulatory requirements have reduced the average water supply reliability from 90% to 40% for Water Service Contractors served by the Jones pumping plant in Tracy.

- **What understanding do you have or what analysis have you done to measure the human social and economic impacts of these environmental regulations?**
- **What biological benefits have been quantified for the fish species for which these regulatory measures have been imposed?**
- **More broadly, what ecosystem benefits have been measured and documented as a result of this reallocation of water from human to environmental use?**

Response: California is in the midst of four straight years of below average precipitation and drought conditions, which has exacerbated California's water supply and related ecosystem decline problems. Federal and State agencies are in the midst of unprecedented coordination to balance water supply, biological protections, and water quality during California's drought. Pumping restrictions for the protection of listed species and water quality requirements have impacted CVP water supplies to water service contractors; however, California hydrology remains the principle reason for reduced water supplies in the CVP.

The Department's understanding of the human social and economic impacts of biological protections and water quality requirements is informed by numerous documents, including, but not limited to the October 1999 programmatic environmental impact statement for CVPIA implementation, the 2006 CVPIA Delivery Impact Report, and the ongoing NEPA analysis of the 2008 U.S. Fish and Wildlife Service and 2009 National Marine Fisheries Service biological opinions on the Long-Term Coordinated Operation of the CVP and State Water Project. In addition, numerous water storage projects, water contracts renewals, water transfers and other CVP-related activities that involve federal action trigger the need to prepare environmental impact statements that disclose social, economic and biological impacts.

The reasonable and prudent alternatives found in the 2008 FWS and 2009 NMFS biological opinions are designed to ensure that CVP/SWP operations do not appreciably reduce the likelihood of both the survival and recovery of the listed or endangered species and do not inhibit the conservation of critical habitat. The water quality permit restrictions aim to implement the Clean Water Act's goal of restoring and maintaining the chemical, physical and biological integrity of the Nation's waters. The pumping restrictions associated with ESA and Clean Water Act compliance ensure certain environmental baselines are met, while allowing the maximum delivery of water to Central Valley Project contractors.

58. I'd like the Bureau of Reclamation, in conjunction with California's Department of Water Resources, to perform a full and detailed accounting of how much water has been in the CVP at the beginning of the water year from 2010-2013, where the water has gone and for what purpose – to fulfill contractual obligations to the CVP contractors and to environmental flows under each specific regulatory requirement, both state and federal, during the periods identified in the slide.

- **Can you commit to having Reclamation perform that analysis and submit it to this Committee?**

Response: Reclamation continuously monitors operation of the Central Valley Project and posts accounting information on our website for the Central Valley Operations Office (www.usbr.gov/mp/cvo). The accounting information includes reservoir storage levels, exports from the Delta, monthly water deliveries, Delta inflow, Delta outflow, Coordinated Operation Agreement accounting, Old and Middle River flow, CVPIA b(2) accounting (which includes information on water quality control plan environmental actions), operational forecasts (for both power and water operations), water quality, power generation, and fish salvage.

59. When the restoration program was first developed, we all thought there would be sufficient funding and that the program was going to be implemented on a commonsense basis, putting first things first to be followed later by the release of protected fisheries and increased river flows.

As recently as 2012, Reclamation indicated they were still on schedule as originally envisioned.

River improvement projects were slated to be constructed in fiscal years 2013 and 2014. Now we find ourselves in a situation where we are putting fish in the river and restoration flows have begun, though no flows have been released in the past year and all indications are that non will be released this year. No river improvements have been made and we find ourselves in a position where future funding for this program is in jeopardy. For example, in order to complete the phase 1 projects on the schedule being proposed by Reclamation, it's estimated that appropriations of $100 million per year on average will be needed. Yet, by Reclamation's own plans, as set forth in the framework for implementation, they will only be looking for appropriations of under $50 million per year. At a minimum, this doubles the length of time to complete the phase 1 and phase 2 improvements from approximately 2015 to 2030 to 2045, which is double the amount of time that even the framework has identified. Local water agencies, who know the river the best, have identified some mitigation measures and river improvements that could effectively allow the program to succeed based on currently available dollars. The initial measures would include protection from seepage and flood impacts, the development of a bypass channel around the Mendota pool to protect fish from entrainment associated by irrigation deliveries, screening the head of the Mendota pool for the same reason, and improving downstream water diversion facilities to allow for fish passage.

- **What is your view regarding proceeding with these relatively low cost but high value improvements in the near-term and holding back on reintroducing fish until such time as the river is capable of providing them with some degree of passage and habitat?**

Response: The San Joaquin River Settlement provided an aggressive schedule to construct major improvements in the river and reintroduce spring and fall run Chinook salmon, which represents the minimum time period the federal defendants calculated to complete the improvements. Delaying releases of restoration flows until all channel modifications are complete is inconsistent with the Settlement and the San Joaquin River Restoration Settlement Act, which only allows for reductions in flows due to channel capacity limitations, conflicts with San Joaquin River Restoration Program (SJRRP) construction projects, or in a Critical Low Year under the Settlement.

In 2011, it was evident that the timelines established in the Settlement were not going to be achieved. Reclamation prepared a revised schedule and budget for the Program, called the Working Draft Framework for Implementation, dated June 2012. The 2012 Framework was successful in establishing "core" projects and limiting actions that were being requested of the Program.

Reclamation is working collaboratively with the parties to the Settlement, downstream landowners including the Exchange Contractors and others to revise the SJRRP schedule in view of the funding challenges the Program has encountered. As part of this effort, we have limited yearly SJRRP activities in the Framework to those that can be accomplished with mandatory funds for the San Joaquin River Restoration Fund, and no more than $50 million a year in federal appropriations. We believe this is a realistic future funding outlay and reflects a realistic schedule for the SJRRP. With these funding assumptions, we expect to complete all Phase 1 and Phase 2 projects by Fiscal Year 2030. We are working to balance the Exchange Contractors' perspective with those of the other settling parties and the requirements of the Settlement and Settlement Act. We expect to complete the Revised Framework for Implementation in July 2015.

The Exchange Contractors have proposed a program of initial measures to include protection from seepage and flood impacts, the development of a bypass channel around the Mendota Pool, screening the head of the Mendota Pool, and improving downstream water diversion facilities to allow for fish passage. These activities are estimated to cost $641 million. The Framework prioritizes these same projects but schedules them over time based on the realistic funding outlay identified above. If additional funds are obtained for the Program, Reclamation can implement these projects faster as they are also the Program's priority projects. However, screening the head of Mendota Pool is a $27 million dollar project, which is costly and appears to add only marginal benefits to the Program.

Limited fish releases have occurred under the Program, consistent with the Settlement and Settlement Act. In 2015, the Program is currently in a Critical Low Year and no releases are planned at this time.

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60. What did Reclamation learn from the drought crisis in 2014 where you were unable to meet your contractual obligation to Water Service Contractors on nearly 2.5 million acres? Please be sure to also address any:

- **Deficiencies in water management tools such as hydrologic modeling and forecasting tools.**
- **Shortcomings or unexpected results from prior commitments or agreements that complicated your ability to provide water to your customers.**
- **Institutional limitations such as inadequate staffing resources or lack of money to perform extraordinary biological monitoring.**
- **Additional statutory authorities required to meet contractual obligations.**
- **Performance of the Coordinated Operations Agreement.**
- **Regulatory constraints which limited your ability to deliver project water to your customers.**
- **Regulatory constraints which limited your ability to effectively manage water transfers and exchanges for the benefit of you customers.**

Response: Reclamation has learned that it is extremely important to remain in close coordination with other agencies and our local partners in operating the Central Valley Project. Reclamation and its sister agencies are constantly reviewing the hydrology and potential project operations for the water year and actively seeking opportunities to identify additional water supplies, including through modifications to regulatory operational objectives to address the continuing drought conditions. The modifications may involve flexibility under biological opinions as well as state water rights obligations.

It is not possible to singly identify every deficiency, shortcoming, limitation, regulatory constraint, or performance challenge that occurred in 2014 or any other water year. All of the actions referenced in the question – from modeling and forecasting, to biological monitoring, to water operations and deliveries – entail lengthy processes undertaken by multiple individuals, and the completion of dozens of individual steps by several organizations to assure that the best data and analysis available are brought to bear in the operation of the Central Valley Project.

Drought taxes these systems, and tests the ability of operating procedures to meet the many demands placed on the CVP. Having said that, Reclamation has acknowledged that some operational parameters, such as compliance with the Coordinated Operations Agreement, present unique challenges that can be amplified in dry years. We have also acknowledged how water quality and Delta outflow requirements associated with Reclamation's state water rights have presented obstacles to Reclamation's efforts to capture the maximum quantities of water necessary to rebuild storage and increase deliveries to contractors.

In response to each of these challenges, Reclamation has been meeting on a continual basis with State and federal agencies as well as with our water contractors in an effort to respond to changing conditions, urgent needs, and assure clear and open lines of communication. In January 2015, Reclamation and the State petitioned the State Water Resources Control Board for

relief from certain water permit conditions to allow for better management of water supplies and allow for increased export pumping with certain conditions. The State Board has conditionally granted relief from permit conditions and responded positively to requests to increase exports needed to address critical public health and safety needs.

61. In July 2007, the Alabama Power Company requested changes in its operations to address the effects of ongoing drought. The Federal Energy Regulatory Commission was the lead federal agency authorizing the proposed actions. Given the conditions created by the ongoing drought, FERC and the US Fish & Wildlife Service agreed to immediately enter into an emergency consultation under procedures contained in the Service's Endangered Species Consultation Handbook. In 2014, CVP contractors, as well as State Water Project Contractors, repeatedly requested Reclamation enter into an emergency consultation under procedures contained in the Service's Endangered Species Consultation Handbook. Reclamation declined and, as a result, several opportunities to make more water available to families, farms, and the communities throughout the Central Valley appear to have been missed.

- **Why did Reclamation oppose use of the existing, legal emergency consultation process?**
- **What differences existed in Alabama in 2007 and how did they compare to California's 2014 crisis?**
- **Is Reclamation prepared to utilize the ECP in 2015 as drought conditions persist?**

Response: While Reclamation is not opposed to use of the emergency consultation procedures outlined in ESA regulations, Reclamation has utilized provisions in the existing Biological Opinions to provide flexibility to address the ongoing drought conditions. Since the existing Biological Opinions contemplated the possibility of multi-year drought, and each provides the ability to work within the Biological Opinions and Section 7 process to address drought operations, this has been the process utilized to exercise flexibility to assist with drought response actions. Today's water supply situation in the Central Valley has its primary roots in the severe four-year drought California is experiencing. Reclamation and the Department have exercised significant flexibility and careful decision making to ensure continued compliance with the Endangered Species Act this year by operating the CVP with the maximum amount of flexibility allowed by law. Actions agreed to as a result of emergency consultation often must include measures to minimize species effects.

62. Three years ago, in March 2012, the Federal Emergency Management Administration (FEMA) filed a stipulation and settlement in federal court agreeing to consult under section 7(a)(2) of the Endangered Species Act regarding the impacts of its administration of the National Flood Insurance Program (NFIP) on listed species in the Delta including the delta smelt.

- **Why is the Fish and Wildlife Service allowing FEMA to continue to implement the NFIP and harm delta smelt without completing the consultation process?**

- **When do you intend to work with FEMA to insure the federal government is complying with the same requirements it is aggressively imposing on other parties?**

Response: The Coalition for a Sustainable Delta and Kern County Water Agency filed suit against FEMA, challenging that FEMA's administration of the NFIP in the Delta requires section 7 consultation and alleging that FEMA's implementation of the NFIP in the Delta provides incentives for development that results in impacts to species and habitat. The parties reached a settlement which required FEMA to request consultation with NMFS and FWS. FEMA is currently in formal consultation on their NFIP in the Delta to ensure the program does not jeopardize listed species or result in adverse modification of critical habitat. The requirements for section 7consultation apply to all federal action agencies.

FWS understands that as a result of the litigation, FEMA is not implementing aspects of the NFIP under litigation in the action area of the on-going Delta-wide consultation.

63. The Army Corps of Engineers is engaged in numerous dredging projects throughout the Sacramento-San Joaquin Delta. Just one of these – dredging of Suisun Bay Channel – results in the take of 1000s of delta smelt every year according to the Corps' own estimates.

- **Why is the Fish and Wildlife Service simultaneously rejecting these estimates as inaccurate and allowing dredging to continue without imposing any numerical limits on take?**

Response: During interagency consultation, the FWS is required to assess incidental take, which is take that results from, but is not the purpose of carrying out, an agency action. When issuing an incidental take statement, the Service estimates the amount or extent of take expected when in compliance with the biological opinion.

In 2012, the FWS issued a biological opinion to the Corps for the 2012 Maintenance Dredging of the Suisun Bay Channel stating that take is difficult to quantify but anticipated to be low based on project impact minimization measures that the Corps intended to take, as identified in the Corps' 2015 Biological Assessment for the 10-Year Maintenance Dredging of Suisun Bay Channel (Biological Assessment). FWS added a conservation recommendation to implement entrainment monitoring which might provide an indicator of take. In 2013 and 2014, FWS issued similar biological opinions.

In the Biological Assessment, FWS and the Corps acknowledged flaws in the report entitled "2014 U.S. Army Engineer Research and Development Center's Entrainment of Smelt in San Francisco Bay by Hydraulic Dredges: Rates, Effects, and Reduction of Impacts" in terms estimating the expected incidental take.

The calculation of incidental take does not restrict future agency actions. Rather, if during the course of an agency action, the level of incidental take anticipated is exceeded, such take

represents new information requiring re-initiation of consultation. The Corps is currently consulting with us on dredging on an annual basis so any re-initiation would be in the context of that year's project.

- **How do you reconcile the very restrictive, quantitative take limit imposed on the operations of the Central Valley Project and State Water Project each year and the absence of any quantitative or other limit on take as a consequence of maintenance dredging?**

Response: During interagency consultation, the Service is required to assess incidental take, which is take that results from, but is not the purpose of carrying out, an agency action. In issuing an incidental take statement, the Service estimates the amount or extent of take expected when in compliance with the biological opinion. The calculation of incidental take does not restrict agency actions. Rather, if during the course of an agency action, the level of incidental take is exceeded; such take represents new information requiring re-initiation of consultation.

Incidental take of Delta Smelt is difficult to quantify and, in the absence of a monitoring program for the Suisun Bay Channel dredging project, we have assumed low incidental take. We make this assumption because observed take has been low in the past (for example, in 2011 observed take was four individuals) and because of subsequent project changes to reduce effects (including incidental take).

The Incidental Take Limit for the SWP and CVP, on the other hand, anticipates incidental take observed at State and Federal salvage facilities during the course of water operations through salvage monitoring. Monitoring at the CVP/SWP represents a very small subsample of the take actually expected to occur as a result of water operations and consequently, is an indicator and not a count of the number of Delta Smelt entrained into the central and south Delta as a result of project operations.

64. Regarding the Department's spending priorities for the Bureau of Reclamation, water supplies for Central Valley Project wildlife refuges in California are chronically underfunded. The Department has not dedicated enough resources over the years to achieve compliance with the refuge water supply requirements of the Central Valley Project Improvement Act. In most years the Department relies on its Water and Related Resources budget, in addition to the CVP Restoration Fund, to meet critical refuge water supply needs. This year there is no funding for CVP refuges in the Water and Related Resources budget. There is a great deal of Water and Related Resources funding going to fisheries and river habitat restoration, but none for waterfowl and wetland habitat restoration.

- **Has the Department de-prioritized the funding of water supplies required for refuges under the CVPIA?**

Response: The Department has relied upon the Restoration Fund to meet water supplies for refuges under the CVPIA. Restoration Fund levels have remained steady over the past 10 years. With aging infrastructure, increasing regulatory requirements, and the current drought, the costs to acquire and convey refuge water supplies have increased. Despite cost increases, total refuge water deliveries have remained nearly constant over time (with the exception of the 2014 extreme drought year). Reclamation included refuge water supply in the 2015 western drought funding request. Reclamation meets the Level 2 requirements where possible. Achieving the remaining supply (incremental level 4) requires voluntary measures from willing sellers. Four of the 19 refuges still lack sufficient facilities to receive their full water supplies. The remaining construction efforts and acquisition of long-term water supplies will require large amounts of funding and trade-offs with immediate needs. Water and Related Resources funding for fisheries allows the Department to use the Restoration Fund for refuge water supply needs. Much of the funding for fisheries and river habitat restoration is necessary for operation of the CVP under the biological opinions so that Reclamation is able to make level 2 water available for refuges and water contractors have supplies to sell for incremental level 4. Reclamation will continue to work with the U.S. Fish and Wildlife Service and other refuge managers to prioritize the use of our funding.

Recently, Reclamation allocated additional 2015 drought funding for the refuges, (approximately $6 million) to fund water acquisition, conveyance and for diversification of supplies.

65. In 1992, the Central Valley Project Improvement Act was signed into law. The act provided $50 million annually for the purpose of restoring the waterfowl and salmon populations of the Central Valley. Administration of the $50 million was turned over to the U.S. Fish and Wildlife Service with the Bureau of Reclamation the co-lead. There have been considerable improvements in the waterfowl populations but the salmon part of the program has been a miserable failure. The act required that the wild salmon populations be doubled from those that existed in 1992. In 2012, twenty years following the act, the wild salmon populations stood at thirteen percent of the 1992 figure. The current California drought will reduce most of the wild populations to all time record lows. Change is urgently needed.

The salmon industry stakeholders have strongly criticized the way the local Fish and Wildlife agency and the Bureau of Reclamation have administered the program. Early on, a number of positive investments were made, but currently, instead of focusing on priority investments that target where the salmon are being lost, the agencies have used the money to create a bureaucracy and have spread the funds to many areas of the valley where early salmon improvements are marginal at best. A high proportion of the funds are now spent on overhead, studies and monitoring.

The program has been also been criticized by several members of Congress and in 2008 an independent science panel was commissioned to review the program. It produced a report called "Listen to the River" which was highly critical of the program and the way it was

being directed by the Department of interior. The program has also been strongly criticized by the public water agencies which provide the annual $50 million.

Unfortunately, the comments and criticisms have created no basic changes in how the program is administered. Today, for the most part, it continues to operate as it has in the last twenty years. Change is urgently needed and it appears that it must be redirected by the Department of Interior if it is to happen.

- **The 1992 Central Valley Project Improvement Act made the protection and enhancement of fish and wildlife part of the Central Valley Project. It required that the wild salmon populations be doubled and provided $50 million annually to the Department of Interior to implement the program. Instead of doubling, two of the four salmon runs are now listed under the Endangered Species Act and all of the runs are now only a tiny fraction of what they were in 1992. The program has obviously failed and is now heavily criticized as to the way it is administered and how the funds are spent. How does Interior intend to redirect this program for positive results?**

Response: The CVPIA defines as a primary goal that the Department make all reasonable efforts to ensure that natural production of anadromous fish in Central Valley rivers and streams is sustainable, on a long-term basis, at twice the levels of the 1967-1991 period. The FWS and Reclamation, in collaboration with State and local governments and stakeholders, develop public Annual Work Plans to ensure the efficient and effective implementation of the Act, and jointly publish an annual report that highlights significant actions taken to achieve the mandates of the CVPIA. The program mitigates the impacts of the CVP by providing water, habitat, and facility improvements for fish and wildlife. The FY 2016 request will provide funding to assist in the protection, acquisition, restoration and enhancement of fish, wildlife, and associated habitats of the CVP and Trinity River.

When planning and carrying out these efforts, the Department must take into account numerous technical, legal, and implementation considerations. The restoration program has identified 289 actions and evaluations that support fisheries restoration, and 128 restoration plan high and medium priority actions that are time certain have been identified. The Department aggressively implements Chinook salmon and steelhead habitat enhancement projects through partnerships with local landowners, public and private agencies, and universities.

Specifically with regard to salmon in the Central Valley, fall-run Chinook salmon are the predominate salmon run in terms of the number of adult salmon counted during escapement surveys. After the stock collapse observed in 2007-2010, production of adult fall-run Chinook salmon counted during escarpment surveys has steadily risen each year during the past four years, to 404,269 individuals in 2013. This suggests a steady rebuilding of that salmon stock.

The most recent program related reports are available at:

http://www.usbr.gov/mp/cvpia/docs_reports/docs/Annual_Report/2013_cvpia_annual_report.pdf and http://www.fws.gov/sacramento/Fisheries/CAMP-Program/Documents-Reports/Documents/2014_CAMP_Annual_Report.pdf

The program will continue efforts to monitor and evaluate the progress of CVPIA implementation actions as well as the progress toward achieving the anadromous fish doubling goals.

66. Yosemite National Park is in my district, a national treasure in my view. I pay a great deal of attention to issues there. Reportedly, the Park Service has begun work to implement the Merced River Plan, including construction of a parking lot in the river corridor near Yosemite Lodge, that additional funds are committed next year for road work and parking issues near the Day Use Parking and that additional funds will be dedicated to changes to the shuttle bus stops and roadways.

- **When will the Park Service have a comprehensive plan, with detailed costs and funding sources, available for Congress and the public?**

Response: The Record of Decision was signed by the NPS Pacific West Regional Director on March 31, 2014. Yosemite National Park has prioritized implementation actions and developed a fifteen-year project schedule that identifies funding strategies to accomplish this work. Because of crowding and traffic congestion, the park plans to address parking and transportation-related issues as a high priority. The NPS will be happy to brief the Committee on funding and project implementation.

- **Will the implementation schedule indicate how the plan will minimally impact visitor services as noted in the final Merced River Plan?**

Response: In implementing the Merced River Plan, the NPS considers the timing of all federal actions so that they minimally impact visitor services and the visitor experience. Yosemite National Park will design projects and implementation plans to minimize impacts to the visitor experience as much as possible.

- **Did the cost of the plan influence the recent increase in gate fees from $20 to $30 in Yosemite?**

Response: The cost of the plan did not influence the recent decision to increase the entrance fee, which was part of a larger NPS initiative to standardize fees in similarly classified parks across the country. Yosemite National Park was classified with parks of comparable size and visitation. Yosemite's previous entrance fees have been in place since 1997, when a seven-day pass was increased from $5 to $20 per vehicle. According to the U.S. Bureau of Labor Statistics, $20 in

1997 is equivalent to $29.64 in 2014. This fee change allows Yosemite to maintain consistent revenue while adjusting accordingly for inflation.

- **Will you rely on Congressional appropriation to provide funding for the roughly $340 million in costs the NPS has estimated to implement the three Yosemite plans (Mariposa Grove, Tuolumne River, Merced River)?**

Response: The cost of implementing these plans over fifteen years will require multiple fund sources that include private philanthropy, recreation fees, and concession franchise fees along with appropriations for the Department (for general park operations) and the Department of Transportation (for roads and related infrastructure). Also, the plans were developed to minimize the need for Congressional appropriations for rehabilitation work and construction.

- **Are you concerned that the heavy road construction activity during the Centennial Celebration will adversely impact visitor access?**

Response: Major roadway construction and repairs are scheduled to avoid peak visitor use periods whenever possible. This is generally done during non-peak seasons and times (such as in fall, winter, and spring), which helps the NPS to ensure that visitors can access key services and popular destinations during the NPS Centennial. Construction schedules also include mitigations to minimize disruptions to the public while allowing the park to restore and make improvements to its transportation systems.

67. As you know, complications in the award of the concession contract at Grand Canyon National Park resulted in this Committee having to ask the Park Service to address its concerns regarding the Grand Canyon contract. Following that, ten members of the House, including me, wrote in December to raise concerns regarding a lack of due diligence on the part of the Park Service regarding the pending bid contest at Yosemite National Park.

I favor a full and robust competition for concessioners in Yosemite. However, I continue to question whether the process where the Park Service has been diligent enough in the process to serve the public interest in a fair competition.

- **Would you let us know what steps have been taken to address the concerns in our December letter?**

- **Would you be willing to meet with members of the Committee to discuss this further?**

- **Would you be willing to work with members of the Committee and my subcommittee to review whether Congress should enact further concession legislation?**

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Response: The Department's response to your December letter, dated January 26, 2015, addressed many of the concerns raised in your letter. Since that time, Yosemite National Park has received responsive bid proposals for the business opportunity that was outlined in the final prospectus, which closed on January 21, 2015. The original prospectus was amended numerous times, and many of these amendments were issued in response to questions received from potential bidders and other interested parties.

NPS staff would be happy to meet with the Committee to discuss how the National Park Service ensures a fair and open process in compliance with the statutes under which it operates and to hear any concerns about the current concessions law.

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Questions from Rep. Sablan

68. The President's budget proposes creation of a new Resilient Insular Areas program. Yet, the Department's Office of Insular Affairs already successfully operates several programs addressing climate change, which could well use more funding. For instance:

- **The Empowering Insular Communities program reduces the use of carbon fuels, as OIA said in its recent EIC award of $600,000 to Guam for a wind turbine pilot project: the purpose is to reduce greenhouse gas emissions "in the face of climate change."**

- **The Coral Reef Initiative aims to protect corals from climate change induced ocean acidification and sea level rise. The reefs in turn increase resilience of shorelines and shoreline development to the effects of erosion, as sea levels rise, and of storms intensified by rising ocean and atmospheric temperatures.**

- **The ABC Initiative should ensure that educational infrastructure is hardened against intensified storm damage, more energy efficient, and, for schools on the shoreline, defended again sea level rise—all responses to climate change. In addition the ABC Initiative helps ensure that our young people get an education that will enable them to be resilient and resourceful as they are forced to deal with climate change.**

- **Compact impact funds, which OIA administers, should be recognized as part of the necessary response to climate change refugees, particularly from the Republic of the Marshall Islands, but also from the Federated States of Micronesia, where there are also low-lying atoll communities at risk of displacement from sea level rise.**

Would it not be more efficient to increase funding for these four existing programs than to start up a Resilient Insular Areas program with the inherent risk of failure, additional administrative costs both at the federal and local level, and potential for duplication of services and competition for resources with existing programs that any such initiative carries?

Response: Climate change is an immediate and serious threat to the insular areas, including the U.S. territories of Guam, American Samoa, the U.S. Virgin Islands, the Commonwealth of the Northern Mariana Islands and the freely associated states of the Republic of Palau, the Republic of the Marshall Islands and the Federated States of Micronesia. By their geography and mid-ocean locations these island communities are on the 'frontline' of climate change, yet are among the least able to adapt to and respond to the expected far-reaching effects on island infrastructure, economic development, food security, natural and cultural resources, and local culture. Although the four programs you referenced have climate change adaption components, the Resilient Insular Areas program specifically will provide a comprehensive approach to addressing adaptation with financial support to the insular areas for climate change plans, grants

for implementation of climate change plans and policies, grants to fund climate change preparedness studies or plans, grants to fund public awareness and outreach efforts, capacity building grants to cultivate the next generation of climate change experts in the insular areas, and funds for responding to the adaptation needs of the insular areas.

69. Please evaluate the effectiveness of the Empowering Insular Communities program against the following questions and any other performance measures you deem relevant:

- **Are the participating insular areas reducing energy use per person and/or per unit of production? What is the dollar value of these changes, if any?**

- **Are these communities importing less fossil fuels overall per person and/or per unit of production? If so, what is the value and quantity of change?**

Are these communities increasing the use of renewable energy sources per capita and/or per unit of production? If so, what are the sources, quantities, and dollar value of that change?

- **Is there a direct relationship between expenditures by the EIC program and any changes you report in 1) energy efficiency and conservation, 2) reduced consumption of imported fossil fuels, or 3) increased reliance on locally produced renewables?**

- **What are the expected rates of change in these three program goals for each participating insular area at the President's proposed level of expenditure for the program?**

Response: The EIC program has been extremely successful in furthering OIA's goals of making power more affordable and increasing energy security in the islands. In 2011, OIA, in partnership with the Department of Energy's National Renewable Energy Laboratory (NREL), established Energy Task Forces of technical, policy, and financial experts in the three Pacific U.S. territories to develop strategic energy plans and energy action plans to address each territory's energy needs. In 2013, the Energy Task Forces published Strategic Energy Plans that outlined broad strategies for achieving fossil fuel reductions over the long term. Also in 2013, the Energy Task Forces published Energy Action Plans that identified key strategies that could be implemented in the short term to help achieve fossil fuel reduction goals. OIA's EIC grant program is being used to implement the highest-priority projects identified in the territorial energy plans. Some project highlights include:

- The University of Guam recently completed a $900,000 project to install rooftop solar arrays on its campus buildings to reduce the university's reliance on fossil fuels by 2 percent.

- The Guam Power Authority will install a medium size wind turbine (275 kilowatt) in Cotal, Guam by the end of July 2015. The $2 million pilot project will help GPA determine the viability of large scale wind projects in the future.
- American Samoa is currently using $2 million to install 1.2 megawatts (MW) of solar panels next to the airport. The project will help American Samoa save more than $500,000 in avoided diesel fuel costs annually.
- This year, American Samoa is installing a hybrid system (solar, battery backup system, and diesel generator) in the Manu'a Islands to introduce up to 40% renewable energy to the power grid and save $240,000 in avoided diesel fuel costs annually.
- Both American Samoa and the CNMI have made significant progress with the geothermal development process and hope to develop geothermal energy as a great source of base-load power.
- OIA partnered with the Department of Energy in selecting the USVI in the Energy Development in Island Nations (EDIN) Initiative. NREL published a V.I. Energy Road Map and set a goal of reducing fossil fuel consumption by 60% by 2025. EDIN ended in December 2013 but DOE and OIA continue to support USVI energy with Technical Assistance grants.

OIA has recently expanded its energy program to the freely associated states with NREL providing technical support on high priority projects identified by the FAS.

70. Public Law 113-235 requires the Secretary of the Interior to establish under the aegis of Empowering Insular Communities program teams of technical, policy, and financial experts to develop energy action plans for each of the U.S. insular areas and for each of the Freely Associated States. Please report on actions to implement this congressional directive.

Response: Through its Empowering Insular Communities and Technical Assistance programs, OIA has already deployed NREL to assist the insular areas in the development and execution of holistic sustainable energy strategies as noted in the response to your previous question. While NREL created new sustainable energy plans for American Samoa, CNMI and Guam, the other insular areas already had plans in place for which OIA and NREL have provided technical assistance for plan implementation activities. Public Law 113-235 does require the Department to engage with Puerto Rico, a territory not within the OIA mission. However, given the statutory requirement, OIA has begun exploring how best to assist Puerto Rico. NREL has estimated that it will cost $330,000 for a plan. Costs for implementation of such a plan would be cost prohibitive for OIA and will take away funding needs of the other insular areas under OIA's purview.

71. The Office of Insular Affairs manages the Coral Reef Initiative, which has been funded at $1 million annually since 2009.

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- **Please provide an evaluation of the effectiveness of the Coral Reef Initiative. Are U.S. coral reefs in decline, in stasis, or growing? At what rate is change, if any, occurring? What is the correlation between Coral Reef Initiative expenditures and any changes in the health of reefs?**

Response: The status of coral reefs in the United States varies by location. In some areas where significant effort has been expended to reduce local threats, we are seeing positive trends. A good example of this is Laolao Bay in the Northern Mariana Islands. Monitoring of Laolao Bay documented precipitous declines in its coral reefs from 2000 to 2005. The primary cause was identified as run-off of sediments from the adjacent watershed. Local agencies, landowners, volunteer groups, residents, divers and beach users worked together to restore the watershed with funding provided by OIA and other agencies. Roads and drainage were improved and the upper watershed was extensively re-vegetated. Coral reefs in Laolao Bay are now recovering due to the improved water quality. Laolao Bay is one of the first demonstration projects to show recovery of reefs as a result of reducing land-based sources of pollution (sediments). Reducing local threats also improves the resilience of reefs, increasing their ability to recover from the growing global threats of bleaching and acidification associated with climate change.

- **Please provide a list and description of all projects to non-U.S. insular areas awarded Coral Reef Initiative funds.**

Response: The following grants were awarded to non-U.S. insular areas between 2009 and 2014:

a. **World Resources Institute.** Produce *Reefs at Risk +10: A Renewed Call to Action.* The project mapped and identified causes of reef degradation, highlighted solutions, supported conservation priority setting and conducted a workshop on threat modeling. Products were made freely available to the insular areas and other interested parties. A second grant was awarded to translate the results of the analyses into on-the-ground projects.
b. **International Institute for Sustainable Laboratories**. The grant was for an international competition for architecture students to design innovative technologies for the proposed Marine Research and Education Center at Salt River Bay, St. Croix.
c. **Oceans Office, Department of the Interior.** The grant was to support for the Secretariat of the U.S. Coral Reef Task Force.

- **The National Oceanic and Atmospheric Administration also administers coral reef grants. Was there a point in time when OIA was administering the NOAA grants to the U.S. insular areas? If so, why did this administrative process end?**

Response: From 2000 through 2010, OIA administered grants to the U.S. Pacific insular areas with funds provided jointly by OIA and NOAA through two memoranda of agreement. The Administration arrangement ended in 2010, in part because of the very complex financial transactions that were required to manage the grants.

- **Because of the difficulty of attracting and retaining qualified personnel to work in the U.S. insular areas, the U.S. All Islands Coral Reef Committee considers as a priority the Coral Reef Management Fellowship Program, which builds local capacity. Does the Office of Insular Affairs share this view? Explain. Does OIA intend to continue the Fellowship Program?**

Response: The Office of Insular Affairs shares this view and will give the program its highest consideration after an application is received. OIA is concerned about the long-term sustainability of this program and will review it should it move forward with a two-year commitment. OIA also recommends that the U.S. All Islands Coral Reef Committee consider other avenues for capacity building, including higher education scholarship programs for coral reefs, which will require recipients to work in the insular areas after graduation for a specified period.

72. What is the status of the negotiations between the Fish and Wildlife Service and the Commonwealth government on the coordination of management regarding the submerged lands in the Islands Unit of the Marianas Trench National Monument?

Response: Since June 2014, the FWS has collaborated with the Commonwealth of Northern Marianas Islands (CNMI) to build on our shared commitment to conserving the resources of the Marianas Trench Marine National Monument. The FWS is the lead agency responsible for completing an environmental assessment of certain Northern Islands submerged lands for possible conveyance to CNMI under the provisions of the Territorial Submerged Land Act. The CNMI is assisting as a cooperating agency and is currently participating in the FWS internal review period for the draft environmental assessment. The FWS, NMFS and CNMI are is also collaboratively developing a draft management-coordination Memorandum of Agreement (MOA), which provides for shared management responsibilities for activities within submerged Monument lands adjacent to the islands of Farallon de Pajaros (Uracas), Maug, and Asuncion, to ensure protection as described in Proclamation 8335. We are currently addressing CNMI's comments on the draft documents. The Draft MOA is included as an appendix in the draft environmental assessment.

73. We are approaching the five-year anniversary of signing the Palau Compact agreement, which affirms the important national security relationship between the Republic of Palau and the United States. Yet, to date, the United States has not fulfilled the funding commitment we made to our ally. Instead, we eke out payment year-to-year. Does the President have a proposal for fulfilling the financial commitment to the Republic of Palau?

Response: Approving the results of the September 3, 2010, 15-year Agreement between the United States and the Republic of Palau is of critical importance to the national security of the United States, to our bilateral relationship with Palau, and to our broader strategic interests in the Asia Pacific region. The Administration transmitted legislation to Congress that would approve the Agreement in the 113th Congress, and the President's FY16 budget request again includes a legislative proposal to approve the Agreement. The Administration has worked with the

Committee to try to identify appropriate offsets for funding the Agreement. The Administration stands ready to continue to work with Congress to approve legislation on this critically important issue.

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Questions from Rep. Beyer

74. Secretary Jewell: The U.S. Park Police Aviation Unit is the only multi-jurisdictional, multi-mission law enforcement aviation unit in the Washington D.C. region. It supports the Metropolitan Police Department, Maryland State Police Aviation Section, local law enforcement and emergency response agencies in Northern Virginia, the U.S. Secret Service, the U.S. Marshals Service, U.S. Capitol Police, the Department of State and other local, state and federal agencies. It is the only medevac, SWAT, and rescue-capable aircraft in the District of Columbia.

Furthermore, the U.S. Park Police Aviation Unit provides a range of services for the National Park Service, including support of U.S. Park Police operations; air support of demonstrations, public gatherings, and Presidential inauguration; direct video link to joint operations with other federal law enforcement agencies; medical evacuations of visitors in regional parks, including Shenandoah and Great Falls; conservation observation; and video link up for National Park Service restoration activities.

The U.S. Park Police has three helicopters. They include Eagle 1, a Bell 412 EP Helicopter purchased in 1999; Eagle 2, a Bell 412 SP, purchased in 1989; and Eagle 3, a Bell 206L-3, purchased in 1983. All three U.S. Park Police helicopters surpass the DOI replacement benchmark of 5,000 hours: Eagle 1 has over 7,000 flight hours; Eagle 2 and Eagle 3 have close to 10,000 flight hours. Their flight readiness and operating safety may soon be compromised.

In December 2012, Rachel Jacobson, Principal Deputy Assistant Secretary for Fish and Wildlife and Parks, wrote to the former House Appropriation's Interior Subcommittee Ranking Member Moran that the National Park Service was "determining an optimal replacement strategy for the helicopter fleet" operated by the U.S. Park Police. In the FY2015 Interior bill, Congress requested a report on the progress toward replacing one of the Park Police's aging helicopters.

What is the status of the report on replacing one of the Park Police's aging helicopter? What progress has been made since 2012 to develop a replacement strategy? Does the Department of Interior intend to fund the replacement of Eagle 2? If so, please describe the funding mechanism intended.

Response: The United States Park Police Aviation Unit currently has three helicopters, two of which are fully mission-capable and continue to provide direct support to protect lives, resources, and property - a Bell 412 EP, "Eagle 1" and a Bell 412 SP, "Eagle 2".

The third, a Bell 206 L-3, "Eagle 3", is not capable of a full suite of missions and is primarily used for training. Each helicopter exceeds the recommended replacement benchmarks established by the Department's Aviation Management Directorate for age and flight hours. As all helicopters are maintained in a flight-ready condition and are not flown without proper repair

and inspection, the need for a new helicopter is not currently a safety or mission necessity. The National Park Service is currently reviewing the potential options and costs related to maintaining a mission ready helicopter fleet in order to develop a replacement strategy and respond to the House directive.

75. Secretary Jewell: I think we can all agree that it's time to move past the debate of whether climate change is really happening. The science is settled and we know it's real. We need to look at the effects of climate change, and how vulnerable our landscapes and resources are to those effects. I'm a strong supporter of the work that's done by the U.S. Geological Survey's Climate and Land Use Change program, which looks at many of these issues, and I'm happy to see the proposed budget increase for these activities. Could you please elaborate on how this program helps to prepare us for the reality of climate change, and what some of the increased funding will be used for?

Response: In addressing global climate change, the Department provides science to help anticipate, monitor, and adapt to climate and ecologically-driven changes to lands, water, and other natural resources. Interior has significant research and development investments integral to the Department's work that inform policy making and management, including science in natural hazards, management of water resources, safe and responsible energy development and production, , oceans, arctic, Landsat, and ecosystem restoration with critical work in invasive species, and wildlife and avian health.

Climate change in particular requires the Nation to prepare for an increasingly wide range of temperature and precipitation patterns, such as longer and more intense droughts and heat waves. In order for decision makers and industry to know where to focus their efforts, they must first know which climate change issues are most pressing. Funding would be used by the USGS to generate more science and information to help agencies plan for droughts and limited water resources.

Specific research projects include understanding the long-term magnitude, frequency, and impacts of droughts in the Western and Southeastern United States. Additionally, remote-sensing data would be used to model and predict how drought and climate change are affecting factors such as the timing of animal migration and food quality for wildlife in Western habitats. One other project would use the results from the previous studies to inform natural resource managers as they understand and manage the impacts of drought in the Western United States. A diverse group of stakeholders and scientists would be assembled to develop a science-based, integrated understanding of drought and its impacts on fish, wildlife and their habitat, also called ecological drought. The climate and land use mission area includes an increase of $1.6 million to address issues related to ecological drought within the National Climate Change and Wildlife Science Center and the Land Remote Sensing and Land Change Science program.

76. I also understand that landscape changes, such as deforestation for example, can influence regional weather patterns. And that, in turn, these weather changes can make a region more vulnerable to flooding or droughts. I believe that understanding these

processes is critical in developing future land management strategies. Is the Department doing any research to understand these regional interactions between climate and landscapes?

Response: USGS' budget requests approximately $9 million to better develop the carbon sequestration program and work with other DOI bureaus to implement carbon sequestration measures on the ground. The USGS sponsors research that investigates such interactions. This research, which is made possible using Landsat imagery, provides data that are key to understanding these interactions more precisely and at local and regional scales, which are more useful for management applications. One prominent example of such research are the USGS assessments of biologic carbon sequestration, which lie at the intersection of climate impacts and land management issues. Understanding how we better manage public lands to effectively sequester carbon will allow for better planning for future climate impacts. Pairing USGS science with DOI land management activities can make this goal a reality.

The land change data developed by the USGS are used in various research, integrating land change from modern satellite-based records with regional climate modeling efforts. For example, research is underway that identifies those land uses and regions of the United States that are most affected by or resilient to drought. Such findings can be used to assess the role of climate change in wildfire ignition and severity, the spread of forest diseases and parasites and the use of water in irrigation. The USGS also worked closely with USFWS and other partners to understand how climate change intersected with land use change to influence future fish habitats nationally. And earlier this year in Florida, the USGS initiated research to improve understanding of how historic land-cover changes across the peninsula affect regional precipitation and temperature variability. In collaboration with stakeholders in the State, the outputs from that research will be integrated with better models of water and land systems to support management and planning needs.

77. Secretary Jewell: In 2012, Hurricane Sandy devastated the Mid-Atlantic coast. In the aftermath, the Department played a big role in coastal restoration work. Can you discuss how this budget proposal would continue making our coasts more resilient in the face of global warming and sea level rise? Do you believe these investments will save taxpayers money in the long run?

Response: The FY 2016 budget proposal builds on the success of the Department of the Interior's (DOI) Hurricane Sandy Coastal Resilience Grant Program, proposing a competitive grant program that would restore natural coastal systems to help reduce flood, storm, and sea level rise risks facing coastal ecosystems and communities. To complement that program, the budget also proposes an increase of $30 million for the Challenge Cost-Share Grant Program, to be split evenly across the Bureau of Land Management, the FWS, and the NPS. The Challenge Cost Share program is a 50:50 non-federal partner matching program which supports mutually beneficial public and partner projects. The funding would support work on projects that increase the resilience of landscapes to extreme weather events with a focus on the inland challenges of wildfire, flooding, and drought. The budget proposal also includes the continuation of the

Coastal Barrier Resource System comprehensive map modernization for eight northeastern States affected by Hurricane Sandy. Investments to build coastal resilience are a good public investment, because through modest amounts of funding, we can reduce costs that coastal communities incur due to extreme weather and sea level rise; at the same time, these investments save taxpayers money, by reducing the need for continued increases in emergency and other funding for repairs, recovery, and restoration from damages caused by coastal storms and flooding.

78. Secretary Jewell: Based on a recent peer review and two court cases, the science is clear that while gray wolves have made significant progress in establishing populations in the Northern Rockies and Western Great Lakes, they have not recovered. Gray wolves occupy only about five percent of their historic range, and are absent from areas they used to roam in the Pacific Northwest, California, the Southern Rockies, and the Northeast - areas represented by a number of the 79 Members who sent you a letter on this topic last week. Do you believe gray wolves will be able to repopulate suitable habitat in these areas without any Endangered Species Act protections?

Response: We understand that there are strong opinions on all sides of this issue, and some parties believe that the Act should be used to drive gray wolf re-establishment in suitable habitat throughout the West and in the Northeast. The goal of the U.S. Fish and Wildlife Service in managing species under the Endangered Species Act is to bring them back to the point where they are no longer in danger of extinction, now or in the foreseeable future, and the Service does not believe that restoring wolves throughout their historical range is needed to accomplish that goal.

Wolves are very capable and biologically programmed to disperse widely and occupy suitable habitat. Their ability to successfully do so and to persist on the landscape is largely a function of social and political acceptance. The Endangered Species Act's prohibition against killing endangered wolves facilitates range expansion, as we have seen in the states of Washington and Oregon, but regulation alone is unlikely to lead to a positive conservation outcome. In our experience, conservation of wolves is primarily dependent upon state and local governments and affected landowners accepting wolves as once again part of the wildlife community and working together to find acceptable solutions to the challenges associated with having another large predator on the landscape. The Endangered Species Act need not be the forcing mechanism or catalyst for that kind of collaborative conservation effort, and the limited resources available to the Service to implement the ESA are far better applied to the great many other species at dire risk of extinction.

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Questions from Rep. Takai

79. What is the Department of Interior's rationale for reducing funding to Compact Impact discretionary aid in its Fiscal Year 2016 requested budget? Would the Department perhaps reconsider its support for Compact Impact discretionary aid in FY16? The Department's FY16 proposed budget only requested $1.3 million for Compact Impact discretionary funding even though Congress appropriated $3.0 million to the account for FY15. According to a Department of Interior official this would reduce Hawaii's allocation of the funds by $700,000.

Response: There is no question that the Compact Impact on affected jurisdictions, including Guam, Hawaii, the Northern Mariana Islands and American Samoa is significant. The $30 million in mandatory funding and the $1.3 million in discretionary funding in the President's FY16 budget request is a positive step towards defraying some of the costs on affected jurisdictions, but it does not fully address the challenge. We also heard from territories and freely associated states that they are struggling with a number of other issues, including how to deal with climate change, coastal erosion, and invasive species, amongst others. The President's budget reflects tough choices, and we welcome working with this body as the budget goes through its process to assess what other opportunities there might be to address this issue.

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Questions from Rep. Polis

80. Madam Secretary, I want to touch on the issue of local land management and preservation. Living in a district that is over 60% covered in federal lands, effective conservation of our natural resources is nothing new to my constituents. Yet, I worry that we often overlook the value of local expertise and fail to manage our lands collaboratively with stakeholders in the field. Two specific examples within my district come to mind.

First – The Lake Hill Act, which I authored and was signed into law by the President last Congress, is now caught up in a struggle between local and regional experts. I believe this could have been avoided if greater allegiance was given to the opinions of local agency experts, as well as those of my local officials and concerned citizens.

Secondly – a piece of land between Arapaho National Forest and Rocky Mountain National Park that we in Colorado like to call 'the Wedge.' I have introduced numerous bills, and worked endlessly with federal officials, to find a path toward conserving this piece of land. But the red tape and the incredibly inadequate, competitive funds made available for conveyance of these properties continue to get in our way. We need to robustly support programs like the Land and Water Conservation Fund, but we also need to utilize local expertise to break through competition among special interests and locate lands for designation – something I hope we can agree on.

Madam Secretary, with that in mind can you speak to both the efforts your department makes to include local input on the front end of distinguishing areas in need of protection, and how you see LWCF moving into the future despite attacks on both its purpose and its revenue source? And, if you do believe the future of LWCF is in jeopardy, has your department considered any long term plans to make up for some of those missing resources?

Response: Over its 50-year history, the LWCF has protected conservation and recreation lands in every state and supported tens of thousands of state and local projects. The authority for LWCF expires on September 30, 2015, at which time revenues will cease to be available for LWCF unless Congress reauthorizes the program.

The President's FY16 budget includes a request for full funding ($900 million) for LWCF and the Department plans to submit a legislative proposal to permanently authorize annual funding, without further appropriation or fiscal year limitation, for the LWCF. This proposal, if enacted, would provide $900 million annually in permanent funds starting in 2017.

This proposal includes funding for Collaborative Landscape Projects, which are developed cooperatively with local communities to address specific conservation priorities identified through a collaborative process conducted by land management agencies. The Administration's FY16 LWCF request would support broad collaboration around locally driven priorities and

provide more efficient and coordinated ways of investing in, restoring, and managing the country's natural and cultural resources.

81. Madam Secretary, certain Bureau of Land Management practices surrounding the exploration and development of mineral resources are continually astounding to constituents like mine. With free reign to value mineral development opportunities over the interests of families that sit on top of them, and communities that surround them, BLM has become a super authority in making land use decisions in mineral rich areas.
Madam Secretary, I worry opportunities for public comment are limited and given little weight when it comes to oil and gas development. From what I'm told, BLM is not required to personally alert a homeowner that their subsurface rights are federally owned or, worse still, that those subsurface rights have been placed under consideration for resource extraction. I think we can agree that this is a breach of the rights one expects to have on their own property, and an alarming practice for any federal agency.

How can the Bureau work to become a better neighbor to my constituents and families across the country, and how can we ensure that Americans are not unduly burdened by federal attempts to turn a profit beneath their land?

Response: The BLM engages the public, including private surface owners, at a number of points in the federal oil and gas leasing process, including during land use planning, leasing, and APD permitting. In many cases, the surface rights and mineral rights were severed under the terms of the Nation's homesteading laws. These and other federal laws including the Mineral Leasing Act of 1920 and amendments have established that the mineral estate has primacy over the surface estate.

At the leasing stage, the BLM notifies private surface owners whenever split estate lands are included in an oil and gas Notice of Competitive Lease Sale. Private surface owners may file a protest on the BLM's decision to offer federal minerals underlying their lands.

If a split estate parcel is ultimately leased, at the Application for Permit to Drill stage, the BLM will seek the surface owner's input and takes into consideration their concerns prior to approving a drilling proposal. For example, operators must make an effort to establish surface access agreements with private surface owners. If a surface access agreement cannot be reached, the BLM requires the operator to post a bond for surface damages. The BLM provides the same level of environmental protection on private surface lands as it would on federal surface lands.

82. Madam Secretary, much has been said on an EPA's proposed rulemaking surrounding 'Waters of the US' regulations. While I am certainly supportive of your and the agency's efforts to protect our vulnerable waters and ensure water quality standards are being met, some of my constituents have reached out with concern.

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Committee on Natural Resources
Fiscal Year 2016 Budget Proposal
March 5, 2015

Jefferson County, a county that lies within my district, recently contacted me to ask that I ensure you are considering the impacts on local governments charged with maintaining upland and roadside ditches. Other municipalities have expressed similar concern.

Madam Secretary, I simply ask that your department take greater leadership in clarifying what impacts this proposed ruling would have on those responsible for any water sources that would be newly regulated, or are already and would continue to be regulated, under the 'Waters of the US.' I think a stronger commitment to ensuring truth and clarification, rather than rumors and misinformation, is spread to stakeholders. This will not only lead to a better understanding among my constituents of what they can expect, it will also create a better platform for the agency to express its intentions and aims as we move through this complex process.

Response: The Department recognizes your interest in assuring that federal regulations do not adversely impact our environment and economy, and we appreciate your desire for a clear understanding of the 2014 proposed rule regarding the definition of "waters of the United States" under the Clean Water Act. As you noted, the proposed rule was issued by the Environmental Protection Agency and Army Corps of Engineers who have jurisdiction over the Clean Water Act.

While the EPA and the Corps are the appropriate entities to discuss the details of their proposed rule, it remains our understanding that the proposed rule was not designed to expand the Act's applicability beyond existing regulation, that the rule does not expand the Act's reach to cover additional irrigation ditches, and proposes to exclude ditches excavated wholly in uplands and draining only uplands, with less than perennial flow, including those that may carry groundwater.