

The BLM's Proposed Fiscal Year 2009 Budget

"The Healthy Lands Initiative will help the BLM fulfill its mission, which is crucial not only in maintaining the quality of life that Westerners have come to expect, but also in ensuring the economic well-being and energy security of all Americans. Through this initiative, we can ensure that America's public lands stay healthy and productive for multiple uses, both now and in the years to come."

**- Interior Secretary
Dirk Kempthorne**

February 4, 2008

Public Lands USA: Use, Share, Appreciate



Protecting Resources and Managing Uses of Public Lands

The Bureau of Land Management (BLM), an agency of the U.S. Department of the Interior, administers more land—258 million surface acres—than any other Federal agency. The BLM also manages 700 million acres of subsurface mineral estate across the nation. In accordance with the 1976 Federal Land Policy and Management Act, the Bureau manages the public lands for multiple uses. These lands are located primarily in 12 Western States, including Alaska.

BLM-managed lands contain myriad resources and serve a variety of our nation's needs and values, including outdoor recreation, energy development, wildlife habitat, livestock grazing, timber production, and other natural, cultural, and historical resources. With the rapid population growth in the West—from nearly 20 million in 1950 to more than 65 million people today—the pressure to meet complex, and sometimes competing, demands for public land resources has also risen exponentially.

To succeed in its role as a steward of the public lands, the BLM, with a workforce of fewer than 10,000 full-time employees, works in cooperation with a host of partners: States, counties, local communities, government agencies, private organizations, businesses, and individuals. By taking this collaborative approach, the BLM—which prides itself on being a “can-do” agency—promotes the health and productivity of the public lands and serves the needs of those who use or care about these lands.

For fiscal year (FY) 2009, President Bush has proposed a \$1.002 billion gross budget for the BLM that focuses on protecting and sustaining public land resources. This figure represents a net decrease of \$5.8 million from the 2008 enacted budget. The budget also proposes a cancellation of unused, unobligated balances of \$24.7 million, which results in a total net budget of \$977.4 million. The proposed budget for the BLM compares to the estimated \$5.9 billion in revenue—including royalties from oil and gas leases—that BLM-managed lands will generate in FY 2008.

The 2009 budget proposal would enable the BLM to fulfill its multiple-use

mission while addressing the agency's top priorities in today's fast-growing, fast-changing West. These priorities are to:

- ▶ protect the health of public land resources, including wildlife habitat;
- ▶ conserve resources in the management units comprising the National Landscape Conservation System;
- ▶ ensure visitor and employee safety while protecting natural and cultural resources affected by illegal immigration on the United States–Mexico border;
- ▶ promote America's energy security through environmentally sound energy development on public lands;
- ▶ manage increased recreational activity (including off-highway vehicle use) and other public land impacts resulting from the West's population growth;
- ▶ and maintain working landscapes by such measures as carrying out timely renewals of grazing permits and making forest woodland products available for commercial production.

Budget Highlights

Healthy Lands Initiative

The President's FY 2009 budget proposal includes an increase of \$10 million in support of the Interior Department's Healthy Lands Initiative. Secretary of the Interior Dirk Kempthorne has described this initiative as an effort “to get out in front of, as well as respond to, a multitude of pressures on the public lands—pressures that come in the form of increased urban-suburban development; increased outdoor recreational activity;



rising demands for energy; impacts from large-scale wildfires; and the effects of an ongoing weed invasion.”

This innovative initiative promotes landscape-scale, science-based, collaborative management that protects or restores the land's resources, particularly wildlife habitat; such an approach will help preclude the need for an Endangered Species Act listing of the sage-grouse and other sagebrush-dependent species. The initiative is also aimed at facilitating environmentally sound development of resources, such as oil and gas, that are needed for America's energy security.

The Healthy Lands Initiative, which Secretary Kempthorne launched in FY 2007, is leveraging public and private funding from BLM partners at unprecedented levels. During FY 2007-2008, the BLM has focused its landscape-level restoration efforts on southwest Wyoming; the northwest and southeast portions of New Mexico; south-central Idaho; southwest Colorado; Utah; and the three-corner area of Idaho, Oregon, and Nevada. In FY 2009, two other areas would be added: northwest Colorado and parts of California.

National Landscape Conservation System



The 26-million-acre National Landscape Conservation System (NLCS), established in 1999, comprises more than 850 units of sensitive resource areas on BLM-managed lands, including wilderness areas, wilderness study areas, national monuments, national conservation areas, national scenic and historic trails, and wild and scenic rivers.

The President's FY 2009 budget retains \$3 million of a \$4.9 million unrequested congressional increase in 2008 for national monuments and national conservation areas, which would be assigned a new budget account. Under the budget proposal, the BLM would

also redirect \$3 million in Challenge Cost Share conservation funds to NLCS units for high-priority work that would be augmented by partners' matching contributions.

Safe Borderlands Initiative

To ensure visitor and employee safety and to protect public land resources at the United States–Mexico border, the President's FY 2009 budget proposal incorporates a \$3.9 million law enforcement funding increase that Congress provided in 2008. The proposed budget also seeks an additional \$1 million for continued mitigation of natural and cultural resource damage resulting from illegal immigration and drug smuggling along the Southwest border, where the BLM is responsible for managing 8.8 million acres of borderlands.

As part of the Interior Department's Safe Borderlands Initiative, this funding would allow the BLM to ramp up law enforcement efforts in the borderlands of Arizona (3.7 million acres), California (3.3 million acres), and New Mexico (1.8 million acres). The additional funds would also support numerous on-the-ground mitigation projects, including those to repair infrastructure, improve signage, close mine shafts, and remove thousands of pounds of litter and abandoned vehicles.



Energy Security

America's energy security depends on environmentally sound production of fossil fuels (such as natural gas, oil, and coal); greater energy conservation; and increased development of renewable forms of energy, such as geothermal power. To strengthen the nation's energy security, the President's FY 2009 budget assumes enactment of legislation that would open a planning area in the Arctic National Wildlife Refuge to energy exploration and development, leading to an initial lease sale in 2010 that would generate an estimated \$7 billion in bonus receipts. The proposed budget also

calls for an \$11.2 million increase in the BLM's oil and gas program to continue remediation on Alaska's North Slope on government-drilled and abandoned wells—known as “legacy” wells—that pose significant threats to the Arctic environment.

The President's FY 2009 budget calls for legislation that would repeal provisions of section 365 of the Energy Policy Act of 2005. Section 365 diverts mineral leasing rental receipts from the general Treasury to the Permit Processing Improvement Fund (the energy pilot office project) and also prohibits the BLM from establishing cost-recovery fees for processing oil- and gas-related drilling permit applications. The legislation would allow the BLM to undertake a rulemaking process to permanently institute cost recovery on applications for permits to drill and also to authorize an interim fee while the rule is under development.

The proposed budget also incorporates the \$2 million that Congress added in 2008 to the BLM's base funding for oil- and gas-related inspections, enforcement, and production verification. The funding would enable the BLM to carry out an additional 865 inspections of oil and gas operations on public lands.

With regard to renewable energy, the 2009 budget calls on Congress to repeal sections 224 and 234 of the Energy Policy Act of 2005 and restore the original distribution of geothermal lease revenues (which had been 50 percent to the States and 50 percent to the Federal



Government). In a signal of the rising interest in geothermal energy, the BLM's competitive geothermal lease sales in 2007 generated \$29 million in bonus bids for parcels in Idaho, Utah, Nevada, and California.

Community Growth

The FY 2009 budget proposal calls for the redirection of a portion of the BLM's base funding to Bureau offices located in areas experiencing rapid population growth. This funding would focus on the management of off-highway vehicles and the protection of wildlife and cultural resources on public lands.



Nonenergy Commodity Use

The BLM will continue to address the “spike” of expiring grazing permits from fiscal years 1999 and 2000. At the end of FY 2007, the BLM had processed about 87 percent of the permits and leases that have expired since FY 1999. The BLM is also working to meet its commitment to offer timber for sale as proposed under the western Oregon land-use plan revisions.

Additional Budget Proposals

Wildland Fire Management

In a break from past budgets, the BLM's wildland fire appropriation would be reassigned to a Departmentwide account in the Office of the Secretary in FY 2009. The change would facilitate better



fire-management coordination among four Interior agencies (BLM, National Park Service, Fish and Wildlife Service, and Bureau of Indian Affairs).

Wild Horses and Burros

For the BLM's wild horse and burro program, the President's FY 2009 budget proposal would retain a \$4.7 million increase that Congress provided in FY 2008 and would add \$493,000 to the 2008 funding level.

The BLM continues to make progress toward achieving the appropriate management level (AML) of wild horses and burros (the point at which free-roaming herd populations levels are consistent with the land's capacity to support them). Based on the agency's latest official estimate, around 29,000 wild horses and burros—or about 1,500 more than the AML for the entire West—roam freely on BLM-managed rangelands in 10 Western States. Given that wild horses and burros have virtually no natural predators, their herd sizes can double about every 4 years. As a result, the agency must remove thousands of animals from the range each year to keep herd populations in balance with other public rangeland resources and uses. Off the range, more than 30,000 other wild horses and burros are fed and

cared for at short-term (corral) and long-term (pasture) holding facilities; holding costs account for more than half of the BLM's wild horse and burro budget each year.

Federal Land Transaction Facilitation Act

The President's FY 2009 budget calls for legislation that would amend the BLM's land sale authority under the Federal Land Transaction Facilitation Act (FLTFA) of 2000. The legislation would expand the public lands available for disposal under the act and would change the distribution of the proceeds of those sales. Currently, the BLM—which in September 2007 announced Federal purchases of 19 parcels of Western land with \$18 million in FLTFA funds—is limited to selling lands identified for disposal in land-use plans that were in effect before FLTFA became law. The proceeds from these sales are also limited to the acquisition of non-Federal lands within specially designated areas, such as national parks, wildlife refuges, and national monuments. The FY 2009 budget proposes to amend FLTFA by authorizing the BLM to use updated (that is, post-2000) management plans to identify lands suitable for sale and to allow a portion of the receipts to be used for

restoration projects. The proposal would also return 70 percent of the net proceeds from these sales to the Federal Treasury and would cap the Interior Department's retention of receipts at \$60 million annually. (After \$60 million, 100 percent of the sale proceeds would go to the general Treasury.)

Range Improvement Fund

The President's FY 2009 budget request proposes to eliminate mandatory appropriations from the Range Improvement Fund that total \$10 million annually. The Administration supports legislation that would amend the Federal Land Policy and Management Act to direct that the 50 percent of grazing fee receipts currently deposited in the Range Improvement Fund be deposited instead in the general Treasury. Responsibility for the construction and maintenance of range improvements would shift to public land users, public land advocacy groups, and State agencies.



Program Funding Reductions

The proposed FY 2009 budget contains reductions in several areas, including deferred maintenance, which includes such actions as facilities condition assessments (-\$9.9 million), resource management planning (-\$4.2 million), travel and relocation expenses (-\$3 million), and construction projects (-\$1.9 million). The budget also contains reductions resulting from savings realized by organizational and administrative streamlining under the BLM's Managing for Excellence Initiative (-\$4.7 million).