

**TESTIMONY OF NOLAN COLEGROVE, SR., PRESIDENT,
INTERTRIBAL TIMBER COUNCIL, PRESENTED TO THE
HOUSE APPROPRIATIONS SUBCOMMITTEE FOR THE INTERIOR,
ENVIRONMENT, AND RELATED AGENCIES ON
FY 2009 APPROPRIATIONS FOR THE B.I.A. AND O.S.T.,
MARCH 13, 2008**

Summary

Mr. Chairman, I am Nolan Colegrove, Sr., President of the Intertribal Timber Council. I am a member of the Hoopa Tribe and serve as the Hoopa Tribal government's Forest Manager. I am pleased to present the following recommendations for FY 2009 Indian forestry-related activities in the Bureau of Indian Affairs (BIA) and the Office of the Special Trustee (OST):

- 1) In BIA Natural Resources Management, provide \$4.48 million for ESA, including \$2.2 million for Northern Spotted Owl and marbled murrelet surveys,
- 2) In BIA Forestry Projects, restore the \$1 million cut from the Timber Harvest Initiative,
- 3) In BIA Forestry Projects, increase Forest Development by \$5 million,
- 4) In OST, restore Land Consolidation at the FY 2007 \$59.5 million level, and direct priority for Youpee interests and forest and other high value lands,
- 5) Add \$4.5 million for BIA wildland fire preparedness, direct fire 638 indirect costs to BIA, and fund Indian hot shot crews from the suppression budget.

Intertribal Timber Council background.

The Intertribal Timber Council (ITC) is a thirty-two year old organization of seventy forest owning tribes and Alaska Native organizations that collectively possess more than 90% of the 18 million acres of timberland and woodland that are under BIA trust management. These lands provide vitally important habitat, cultural and spiritual sites, recreation and subsistence uses, and through commercial forestry, income for the tribes and jobs for their members. In Alaska, the forests of Native corporations and thousands of individual allotments are equally important to their owners. To all our membership, our forests and woodlands are essential to our physical, cultural, and economic well-being, and their proper management is our foremost concern.

1) In BIA Natural Resources Management, provide \$4.48 million for ESA, including \$2.2 million designated for Northern Spotted Owl and marbled murrelet surveys.

The ITC made a similar request for FY 2008, and we wish to express our great appreciation for this Subcommittee's addition of \$1 million to BIA ESA funding for FY 2008.

~~Those funds have been distributed to 31 locations throughout Indian Country to address~~ The BIA ESA funding was initiated by this Subcommittee in FY 1991 in response to the listing of the Northern Spotted Owl, providing \$1 million for compliance activities at approximately a dozen reservations throughout the Northwest. With the listing of the marbled murrelet, funding for the affected timber tribes was increased to

\$1.83 million in FY 1995. In FY 2002, BIA had removed the Northern Spotted Owl and marbled murrelet funding from the Forestry program and established a separate office to use those funds to address additional ESA issues. Funding that year reached \$3 million, an acknowledgement by Congress of the substantial ESA requirements throughout the 56 million acres of Indian Country.

Since then, funding has steadily declined, despite the continuing need for the BIA to review activities on Indian trust land for impacts on ESA listed species. Among the dozen or so forestry tribes affected by the Northern Spotted Owl and the marbled murrelet, compliance protocols and recovery obligations for our lands remain as they have been since the listings, but our field-level funding has declined precipitously – to zero in FY 2007. We are very pleased that the Committee revived the program with the \$1 million addition in FY 2008, and while some of those funds are going for Northern Spotted Owl and marbled murrelet activities, the BIA has distributed the funds to 31 locations nationwide. While that demonstrates the need for ESA funding throughout Indian Country, it disregards the purpose for which the funds were initially sought and provided.

Unfortunately, for FY 2009, the Administration is, once again, requesting just enough funding - \$250,000 – for three personnel in Washington, DC, with no support for field-level operations. Meanwhile, the Administration is requesting \$10 million dollars in the Fish and Wildlife Service budget for ESA activities on *nonfederal* lands, where there is no fiduciary responsibility. The Administration is also requesting \$20.6 million in specific ESA funds for BLM. That is 8 cents per acre for BLM's 258 million acres. If that were applied to BIA's 56 million acres, it would be \$4.48 million. To bring some measure of equality to BIA ESA funding, we request that amount for FY 2009. Within that \$4.48 million, we also ask that \$2.2 million be designated for the Northern Spotted Owl and marbled murrelet, so that the tribes for which the ESA program was initiated can be brought back to a level of support equal in today's dollars to that provided in FY 1995.

2) In BIA Forestry Projects, restore the \$1 million cut from the Timber Harvest Initiative.

For FY 2009, the ITC requests that the Subcommittee add \$1 million to the BIA Forestry Projects budget for the BIA Timber Harvest Initiative program, to restore the Administration's \$1 million cut to the program in FY 2008 and continued in FY 2009.

From its inception in the early 1990s, the Forestry Timber Harvest Initiative provided additional Forestry personnel on those reservations with a timber harvest backlog, enabling those tribes to process an increased harvest to come back into compliance with their forest management plans, which is a basic component in the federal trust responsibility for Indian forests. Meeting planned harvest levels provides tribes with revenues planned and relied upon for governmental operations and services, and helps protect the health of our forests from threats of catastrophic loss from insects, disease, and wildfire.

The Harvest Initiative funds build upon existing forest program infrastructure, and so are particularly efficient at moving additional timber out of the woods and thinning of overstocked forests. The Administration's \$1 million dollar reduction to the program will affect ten or twelve reservations in the BIA Pacific and Northwest Regions, and will reduce the BIA's annual harvest level by about 52 million board feet (about 10% of the

total harvest from Indian land nation-wide). It will result in a loss of millions of dollars in revenues to tribal governments, as well as jobs in logging and processing which are important to local communities.

As a contributing factor to the BIA's inability to meet Indian timber harvest schedules, we note the FY 2009 BIA Budget Justification projects timber sales levels will decline from 555 million board feet to 533 million board feet because, according to the Justification, "reduced levels of funding translate directly to a decreased ability to perform the sale preparation work." Constrained sales contribute to the harvest backlog.

The Timber Harvest Initiative is a key element in maintaining the productivity and health of Indian forest lands. Without it, harvest levels will fall significantly, hazard fuels will build up, the federal trust responsibility to effectively manage Indian forests for the benefit of the tribes will be compromised, tribal revenues will suffer, mills may close, and rural jobs and the communities they support will be further strained. The drastic reduction of the program is imprudent, and we urge that the \$1 million be restored.

3) In BIA Forestry Projects, increase Forest Development by \$5 million.

The ITC also requests, as we did last year, that BIA Forest Development funding in Forestry Projects be increased by \$5 million.

Currently, about one-sixth of the 6 million acres of Indian trust commercial forest is in need of either replanting or thinning. This backlog must be reduced to improve the productivity of Indian forest lands and reduce the threat of catastrophic loss due to insects, disease, and wildfire.

In FY 2005, the BIA Forest Development budget provided treatment on 58,000 acres. For FY 2009, the goal is 52,000 acres, a reduction of more than 10% over four years. In the face of a million acre backlog, more acres must be treated, not less. A \$5 million increase to the FY 2009 request will treat an additional 30,000 acres.

Mr. Chairman, the insufficiency of the BIA Forestry budget is chronic at this point and must be addressed. Two independent national reports over the past twelve years have recommended that per acre federal funding for Indian trust forests should be comparable to that provided for the USDA Forest Service (USFS).¹ Both reports estimate that an additional \$120 million would be required. We recognize that such parity is not realistic in the current budget climate, but to begin at least reducing this Forestry funding disparity, we believe the restoration of \$1 million to the Timber Harvest Initiative and a \$5 million increase for Forest Development would provide an important start.

Compared to almost any other federal forest resource, Indian trust forest lands continue to generate significant timber production and should be supported. Investing an additional \$5 million to start reducing the BIA Forest Development backlog, and the restoration of \$1 million for the timber harvest backlog, will help fulfill the federal trust responsibility by narrowing the funding gap between BIA Forestry and the U.S. Forest Service, will increase Indian timber harvest and value, improve the health of our forests, contribute to carbon sequestration, and produce woody biomass to advance the Nation's renewable energy initiatives. These worthy objectives deserve Congress's support.

¹ Indian forests receive only about one third of the level provided for U.S. Forest Service. (FY 1991 BIA per acre: \$4.14, USFS per acre: \$11.69. See IFMAT 1 Report, November 1993, Table 11, page V-4. FY 2005 BIA per acre: \$2.83, USFS per acre: \$9.51. See IFMAT 2 Report, December 2003, Table 2, page 9)

4) In OST, restore Land Consolidation to the \$59.5 million level, and direct consolidation priority for acquisition of Youpee interests and forest and other high value lands.

The ITC urges that funding for the Land Consolidation program be restored to the FY 2007 requested level of \$59.5 million. Land fractionation is a root cause for many of the Interior Department's high costs and difficulties in trust fund and trust asset administration, and land fractionation must continue to be aggressively addressed. For FY 2009, it is preposterous that the Land Consolidation program is proposed for elimination while funds for the Office of the Special Trustee should continue with no budget reduction. It makes no sense that the office created to deal with the problems of fractionation should continue unabated while funding to try to reduce fractionation itself is eliminated. Further, we are not aware that the Land Consolidation Program, which has been in effect for at least nine years, has encountered such problems that its elimination is warranted. To the best of our knowledge, OST has not reached out to tribes to discuss the need for an "alternative approach." Funding should be restored to \$59.5 million.

In reviving Land Consolidation, the ITC urges that it focus not only on highly fractionated properties, but also on (a) purchase of the so-called Youpee interests to avoid the enormous cost of un-doing the previous acquisition of highly fractionated interests through escheat; and (b) consolidation of high value lands, including forest lands, before they become so fractionated that productive use of the property becomes problematic.

5) Add \$4.5 million for BIA wildland fire preparedness, direct fire 638 indirect costs to the BIA, and fund Indian hot shot crews from the suppression budget.

The ITC requests that Congress add \$4.5 million to the wildland fire budget for BIA preparedness. Since the fire preparedness budget increase of 2000, BIA fire preparedness funding has been steadily eroded by annual rescissions and inflationary factors. These small but steady reductions are having a noticeable impact on tribe/agency abilities to develop the next generation's fire fighters, maintain the readiness of militia, maintain equipment, and respond to administrative directives for fire budget preparedness and reporting. ITC recommends that our nation would be better off being proactive in preventing and/or reducing the risk of large fires than to keep chasing the problem through suppression.

The ITC also recommends that Congress address the conflict that the BIA faces with charging 638 indirect costs for tribal wildland fire contracts to the preparedness account, rather than the BIA 638 indirect cost pool, where they should be charged. This current practice is a disincentive to tribal self-determination as each new contract penalizes the overall BIA preparedness budget and adversely impacts every tribe/agency nationally by reducing their preparedness funding. This simple accounting adjustment could free up the amount we are requesting for preparedness.

Finally, we are requesting that our Indian hotshot crews be funded out of suppression dollars rather than preparedness. This national resource, which Native Americans provides up to 25% of all the nearly 25,000 wildfire personnel, is truly a suppression resource available to all agencies and non-federal partners. Funding them out of BIA preparedness penalizes the BIA and tribes.

That concludes the ITC FY 2009 testimony. Thank you.