

**Statement of  
Tom Tidwell, USDA Forest Service Chief**

**Before the  
Senate Committee on Appropriations  
Subcommittee on Interior, Environment, and Related Agencies**

**Concerning**

**The President's Budget Request for the USDA Forest Service in Fiscal Year 2013**

**April 18, 2012**

Mr. Chairman and members of the subcommittee, it is a privilege to be here today to discuss the President's Budget request for the Forest Service for fiscal year (FY) 2013. I appreciate the support this subcommittee has shown for the Forest Service in the past, and I look forward to working together with Members of the Committee in the future to ensure that stewardship of our Nation's forests and grasslands continues to meet the desires and expectations of the American people. I am confident that this budget will allow the Forest Service to meet this goal while demonstrating both fiscal restraint and efficient, cost-effective spending.

Our Nation can and should take steps to reduce the deficit and make government leaner and more efficient in the 21st century. The FY 2013 budget that the President is proposing reflects the difficult choices we need to make to help reduce the deficit while investing in long-term economic growth and job creation. To make the strategic investments to grow the economy and tackle the deficit, this budget makes difficult cuts to programs. It also reflects efficiency and improvements to reduce our administrative costs. It is designed to appropriately fund programs that matter to Americans.

**Budget Context**

The Forest Service manages 193 million acres of public lands on 155 national forests and 20 national grasslands in 44 States and Puerto Rico. We also work effectively with States, Tribes, local governments, communities and private forest landowners to support the sustainable stewardship of the 423 million acres of private forest, 68 million acres of state forests and 18 million acres of forestlands on Indian reservations in the United States. Forest Service management is based on peer-reviewed science; we lead the way for the Nation and, indeed, the world in cutting-edge research on a full range of conservation issues, including bioenergy, ecological restoration, wildland fire management, forest pests and diseases, and sustainable outdoor recreation.

Our mission is to work with the American people on all lands to sustain all the benefits needed and wanted from their forests and grasslands. For example, approximately 80 percent of the Nation's freshwater resources originate on forests, and Americans get more than half of their water supplies from sources that originate in the Nation's forests. Forest Service management, combined with assistance to private landowners, helps to protect the single greatest source of drinking water in the Nation.

Jobs are maintained and created through the work of the Forest Service. Millions of Americans have forest-related jobs, from forest restoration work to recreation use, wood products, grazing, and energy and mineral development. In 2010, the National Forests attracted over 170 million annual visitors, and recreation use, which alone sustained nearly 223,000 jobs while contributing \$14.5 billion annually to the U.S. economy.

Water and jobs are only some of the benefits Americans get from their forests and grasslands. These lands provide a whole range of ecosystem services— clean air, clean water, fertile soil that provides timber, forage, energy, food and fiber, fish and wildlife habitat, carbon storage, and opportunities for outdoor recreation just to name a few. These critical services to people are now at risk due to declining forest health, such as bark beetle infestation in the West. Regional drought, invasive species, loss of open space, catastrophic wildfires, devastating outbreaks of insects and disease, and the overarching challenge of a changing climate are degrading our Nation’s natural infrastructure—the forests and grasslands that Americans depend on for so many services, values, and benefits.

By making targeted investments in the landscapes most at risk, we can restore healthy, resilient forests and grasslands, provide recreational and hunting access, and provide forest products for the benefit of all Americans. Our FY 2013 budget request is designed to do just that by working with partners across borders and boundaries at a landscape level. Our focus on landscape-scale conservation dovetails with broader Administration priorities, including the President’s America’s Great Outdoors initiative, the Secretary’s “All-Lands” vision, and the Department’s high-priority goal for enhancing water resources. Landscape-scale conservation is designed to maintain and enhance the resilience and productivity of the Nation’s forests and grasslands through targeted investments in natural infrastructure. Our investments will put Americans back to work, maintaining and creating jobs and economic opportunities for both rural and urban Americans.

## **FY 2013 Budget Request and Priorities**

The FY 2013 President’s Budget requests \$4.86 billion for the Forest Service, an increase of \$15.5 million over the 2012 appropriated level. This budget responds to the public’s desire for the conservation and stewardship of the Nation’s forests and grasslands. Through strategic partnerships, we accomplish more work that yields benefits for all Americans, while sustaining forest and grassland ecosystems for future generations. In these tough economic times, this budget balances spending on priorities against reductions. It establishes spending on conservation principles and natural resource development needed by the Public and for the Nation’s economy. Forest Service managers will continue to scrutinize spending and programs to ensure the public’s investment is used wisely toward safely achieving key outcomes and shared priorities.

The Forest Service’s FY 2013 President’s Budget prioritizes Forest Service funding in three themes: restoration, communities, and fire. Our priorities are designed to respond to the needs of the American public. The President’s Budget aligns with the Secretary’s “All Lands” vision to meet the challenges of ecological **restoration** through collaborative approaches to address forest mortality and live tree density, invasive species and watershed degradation. The budget request will engage **communities** and help Americans reconnect to the outdoors, expand on recreation benefits and create a wide range of opportunities for economic expansion to retain and create

jobs. The budget request also fosters partnering with communities and cooperating agencies to reduce the threat of wildland **fires** to people, property and watersheds.

### **Restoration Theme**

With the current threats from insects and disease, wildfire, urban development, and impacts of a changing climate, active restoration is a key component of our FY 2013 budget strategy. To achieve our restoration goals, we engage a broad set of partners in active forest management at large, landscape scales and apply peer-reviewed science related to forest disturbances, fire management, and the effects of a changing climate. Our restoration efforts are guided by a continuous cycle of assessing, implementing and adapting based on information from inventory and monitoring efforts. This strategy will yield a variety of forest products and restore the structure, function, composition, and processes of healthy, resilient ecosystems across the Nation.

Restoration means jobs and economic opportunities. In order to maintain forest-related jobs we are requesting permanent authority for stewardship contracting. This authority allows the agency to accomplish collaborative restoration work at a landscape scale. Current authority for stewardship contracting expires in September 2013.

### **Landscape-Scale Restoration Priorities**

Through active forest management, the Forest Service is restoring ecosystem structure, functions and processes in order to improve the health and resilience of ecosystems across large landscapes. Through the proposed **Integrated Resource Restoration** program, we expect to continue to collaborate using an inclusive process to find common ground across the many stakeholders and to leverage our investments for broader conservation impacts. Integrated Resource Restoration blends a cross-section of forest management activities,<sup>1</sup> such as forest thinning to reduce hazardous fuels, decommissioning roads, and removal of fish passage barriers—all of which lead to improved forest and grassland health and watershed function. The Watershed Condition Framework, released in 2011, will help managers prioritize Integrated Resource Restoration activities. This framework provides a nationally-consistent approach for classifying watershed conditions and allows us to track the number of watersheds that move to an improved condition in the long term.

In FY 2011, we restored or enhanced over 4.9 million acres of both public and private lands. We will continue to invest in and accomplish restoration on the ground. In FY 2013, through Integrated Resource Restoration we propose to restore or sustain 2.6 million acres on National Forest System lands; provide 2.8 billion board feet of timber; decommission over 2,000 miles of road; and restore or enhance 2,750 miles of stream habitat. By focusing on restoration outcomes, the Integrated Resource Restoration program empowers Forest Service managers and local communities to find the best, most-efficient way to meet their ecological, economic and social objectives. For example, a landscape thinning project may be accomplished under a combination of timber sales and stewardship contracts which reduces the threat of catastrophic wildfire,

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<sup>1</sup> Integrated Resource Restoration includes activities accomplished through the following previous budget line items: Wildlife & Fisheries Habitat Management, Vegetation & Watershed Management, Forest Products, Legacy Roads & Trails, Roads Decommissioning, Hazardous Fuels in non-wildland urban interface areas, and Rehabilitation & Restoration.

improves forest and watershed health and resilience, and removes unneeded erosion prone roads. These outcomes help reduce risk from threats like fire, insects, and diseases; provide clean, low-cost drinking water to communities; and maintain local infrastructure and jobs by creating economic opportunities such as uses for biomass and other forest products.

Our **Forest Health Management** program provides insect, disease, and invasive plant survey and monitoring information on forest health conditions on Federal and non-Federal (Cooperative) lands and provides technical and financial assistance to prevent, suppress, and control outbreaks threatening forest resources and watershed conditions. Forest Health Management helps to implement the States' Forest Action Plans and focuses on the highest priority areas and on high-priority pests, as identified by mapping and surveys. In FY 2013, Forest Health Management will continue to utilize science, active land management, and technology transfer expertise to restore and sustain forest landscapes, across urban, private, State, Tribal, and Federal forests, and create private sector jobs because of the expertise required to carry out this work.

The **Collaborative Forest Landscape Restoration Program** is a high-priority program that embodies our integrative, collaborative, landscape-scale restoration focus. In FY 2011, Collaborative Forest Landscape Restoration projects implemented treatments to restore ecosystem resilience and adaptive capacity while generating forest products to help support local infrastructure and economies. Forest vegetation was improved or established on over 26,000 acres; 121 million board feet of timber was sold; and approximately 268,000 green tons of woody biomass was made available for biomass or bioenergy-related production. Cooperators played a substantial role in FY 2011 by providing over \$8 million in additional funding. The FY 2013 request supports the community-based Collaborative Forest Landscape Restoration projects chosen in FY 2010 and FY 2012. The Collaborative Forest Landscape Restoration Program is creating job stability by supplying a reliable wood and biomass supply for forest products and bioenergy production; improving forest health and wildlife habitat; and reducing fire suppression costs in overgrown forests.

### Research Priorities

The Forest Service houses the world's largest forestry research organization. We conduct research that develops new technologies and brings cutting edge science to bear on the sustainable management of the Nation's forests and rangelands. Long-term research from our experimental forests and rangelands contributes to an understanding of the impacts of forest disturbance on the natural and cultural resources of U.S. landscapes. This knowledge assists public and private land managers in identifying strategies to mitigate and adapt to forest stressors. Rigorous, applied research is also key to supporting new and emerging markets with innovations that enhance and diversify the forest products industry. Private investment in the forestry sector relies on Forest Service research. Finally, our social science research is critical to appropriately aligning agency activities with society's values and priorities for the Nation's natural resources and public lands.

The proposed funding will maintain essential levels of research in our high-priority and strategic program areas to ensure that we develop, apply, and deliver new knowledge and technologies that support sustainable management objectives. One high-priority program is **Forest Inventory and Analysis**, which provides the resource data, analysis, and tools needed to assess current

status and trends of forests; management options and impacts; and threats such as fire, insects, and disease. In FY 2011, the Forest Service's Research and Development deputy area implemented the Forest Inventory and Analysis annual forest sampling in all 50 States (though we have not been able to sample interior Alaska), providing accessible data for 96 percent of the Nation. The data provides important information for private forest landowners to use in developing management objectives for sustainable management of private forests. In FY 2013, Forest Inventory and Analysis will continue in all 50 States and seven reports will be published.

### Planning, Monitoring, and Analysis Priorities

Restoration efforts are guided by a continuous cycle of assessment, project planning and implementation, and adaptation based on information from inventory and monitoring. Consistent with the Forest Service's priority of landscape-scale conservation, our proposed Planning Rule emphasizes a collaborative, science-based approach with broad-scale monitoring strategies at the regional and national level for the National Forest System. Forest Service managers collaborate with a wide variety of stakeholders to consider all interests affected or influenced by land management planning and project level implementation decisions. We are integrating and improving monitoring databases to enhance efficiency and transparency. These monitoring data provide baseline information from which managers plan the mix of goods and services for individual national forests and frame objectives for planning and subsequent restoration activities. The data helps managers set conservation objectives to sustain the health, diversity, and productivity of the National Forest System.

This budget proposes consolidation of the Land Management Planning and Inventory and Monitoring programs to form the single, integrated program of **Land Management Planning Assessments and Monitoring**. This new budget structure highlights the connectedness of these activities under the proposed Planning Rule. High-priority resource issues include watershed and ecological conditions; habitat needs for a number of species; visitor use and recreation objectives; forest disturbances; and other local, regional and national objectives. Forest Service units completed 58 plan assessments in FY 2011—an initial step for determining the need to revise or amend land management plans in response to changing ecological, social, and economic conditions.

### Communities Theme

Communities continue to be a priority for the Forest Service in FY 2013. We are committed to engaging communities across the Nation to reconnect with the outdoors, expand recreation benefits, and harness the many economic opportunities our land management activities create in a way that supports diverse employment in forest-dependent communities. As part of the President's FY 2013 budget, we request reauthorization of the Secure Rural Schools and Community Self-Determination Act of 2000 for five years. The FY 2013 proposal supports rural communities through assuming enactment of the FY 2012 President's proposed reauthorization through mandatory funding.

We continue to develop successful collaboration with municipalities, non-governmental organizations, and private companies at many levels. Through approximately 7,800 grants and agreements in FY 2011, we engaged a wide circle of partners in land management projects and activities, leveraging agency investment for an additional \$616 million in partner contributions. In FY 2013, this collaboration will continue to expand recreation opportunities, reconnect people

with the outdoors, and use land management activities to create employment and sustain communities. Our budget request includes proposed language that would authorize the Secretary to enter into agreements with interpretive associations (including scientific, historical, educational, and other societies, organizations, and associations) to enhance visitor awareness and knowledge of the Nation's natural resources and cultural heritage, and to enhance and leverage our collective interpretative efforts. Based on our current efforts, we know that increasing collaboration with local communities can move conservation efforts from a scale of thousands of acres to hundreds of thousands of acres. The President's FY 2013 Budget strategically allocates resources to support exemplary local stewardship and collaboration models and to catalyze new partnerships and innovations.

### Landscape-Scale Conservation Priorities

Restoration projects across broad Federal landscapes, such as the Collaborative Forest Landscape Restoration Program, are not sufficient alone to address the restoration needs and challenges of today. The Forest Service's approach to land management focuses on landscape-scale outcomes through cross-boundary landscape conservation. We consider current and desired resource conditions across all ownerships—putting national forests and grasslands in the broader social, economic, and ecological context of the entire landscapes. Considering the well-being of communities adjacent to national forests, as well as urban populations that depend on forest-derived ecosystem services such as water filtration, is a top priority

In FY 2011, our State and Private Forestry programs competitively allocated \$19.8 million to State Foresters, supporting 72 projects in 47 states.<sup>2</sup> These allocations enable the Forest Service to leverage over \$21 million in partners dollars and in-kind contributions. In FY 2013, we propose to build on the success of our recent redesign of State and Private Forestry by combining funds into a **Landscape Scale Restoration program** to continue our work with the State Foresters and engage multiple landowners across boundaries. This program helps address challenges like forest fragmentation and the conversion of forestland due to urbanization and other land uses. Through competitive grants, it will implement innovative projects that address the greatest threats to forest sustainability, as identified by States in their Forest Action Plans.

The **Forest Legacy Program** is an incentive-based approach that uses easements to permanently protect non-Federal forest lands vital for wildlife habitat and rural jobs. The focus is on forest lands at risk of conversion to other (non-forest) land uses. To date, more than two million forested acres have been protected from conversion, ensuring a robust natural infrastructure to support rural jobs in the forest sector.

Through **Land Acquisition**, we work to consolidate non-Forest Service properties within or adjacent to national forest boundaries. These acquisitions protect critical ecosystem connectivity, enhance visitor access, and reduce expenditures associated with boundary management and fire suppression. This request includes up to \$25 million for support of the Federal Interagency Collaborative Land and Water Conservation Fund initiative. This interagency partnership with the Department of the Interior will guide acquisitions in support of objectives set by the *America's Great Outdoors* initiative, achieving targeted, coordinated Federal acquisitions that are locally-driven and supported by local governments. The request also includes up to \$5 million to acquire land to open up additional access for recreational purposes, specifically to

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<sup>2</sup> The \$19.8 million includes Wildland Fire Management allocations.

increase priority recreation access to National Forest System lands. The Forest Service will use the funds to acquire parcels that provide access to National Forest System lands whereby access is not currently available or is impeded.

Just as we recognize the importance of conserving working forest lands in rural areas, we also support the creation of community forests that connect urban populations to nearby outdoor areas. Through the **Community Forest and Open Space Program**, we fund cost-share (matching) grants for the acquisition of community forests that provide public recreation and watershed benefits. Such benefits include enhanced drinking water quality, wildlife habitat, forest management jobs, and opportunities for wildlife viewing, hunting, fishing, and other outdoor experiences readily accessible to urban populations. In October 2011, the Forest Service issued regulations to ensure a consistent and transparent program. We are in the process of soliciting applications to award the first projects.

### Recreation and Trails Priorities

Forest Service lands are a public treasure providing unparalleled outdoor recreation opportunities. Population growth and loss of open spaces contribute to ever-greater demand for high-quality recreation opportunities. Annually, more than 170 million visitors enjoy activities such as camping, picnicking, skiing, fishing, and hunting. The **Recreation, Heritage and Wilderness** program provides the interpretive, outreach and infrastructure needs vital to connecting Americans to the great outdoors.

In response to the *America's Great Outdoors* initiative, we are improving recreational access and expanding opportunities for youth and diverse populations. The Youth Conservation Corps creates jobs, as do expanded opportunities for private sector outfitters, guides, ski areas, and resorts. Through the Federal Interagency Council on Outdoor Recreation, we are implementing actions to eliminate redundancy and create seamless programs between the Federal agencies to increase recreation opportunities.

Our **Trails** program ensures public safety and backcountry access through the operation, maintenance, rehabilitation, and improvement of National Forest System trails, serving a wide constituency of visitors at a relatively low cost. In FY 2013, we are prioritizing the designation of trails for motorized use, consistent with the Travel Management Rule. Our trail system also accommodates non-motorized uses such as cross-country skiing, hiking, hunting, fishing, wildlife viewing, horseback riding, and mountain biking. In FY 2011, partners contributed approximately \$7 million and maintained almost 5,500 miles of national and scenic trails. Through strengthened partnerships in FY 2013, we will emphasize trail stewardship activities and youth programs.

Our proposed legislative language to make permanent our authority on Administration of Rights-of-Way and Land Uses would ensure timely customer service, reduce the potential liability to the United States associated with uses on National Forest System lands under an expired authorization, and enable us to accept new applications to expand our support for local and regional economies. Special Uses enable a wide range of public services that support thousands of jobs, from large-scale energy and communication transmission to small-scale outfitters and guides. Processing these permit applications is time intensive and expensive. Recovered funds will remain at the local office of collection to enable more-timely service to permit holders and applicants. The existing authority expires on September 30, 2012.

The Forest Service assists in developing and sustaining urban forest infrastructure within cities, as well as connecting urban residents—especially youth—to recreation experiences in national forests. With more than 83 percent of all Americans living in metropolitan areas, the Forest Service **Urban and Community Forestry** program supports the active management of forests and trees in over 7,000 communities, reaching 194 million people in FY 2011. This program seeks to optimize benefits from urban forests by planting trees for carbon sequestration and energy conservation objectives. Forest Service **Research and Development** helps to create more livable and desirable urban areas and improve urban ecosystem services, like cleaner city air and water, through leading science and new technology. In New York City, for example, the Forest Service’s iTree tool provided baseline information about trees that has been a critical foundation for the MillionTreesNYC campaign. The **Conservation Education** program—through initiatives like “Children’s Forests” and “More Kids in the Woods”—builds on both long-term and new partnerships. In FY 2011, over 5 million children and families participated in environmental education, recreation and related literacy programs on public lands and waters, increasing their understanding of the natural world and its benefits.

### Facilities and Roads Maintenance Priorities

Maintenance of physical infrastructure—including the best and safe use of over 40,200 buildings for administrative, recreation-related, and other uses, approximately 373,000 miles of roads (102,000 miles are closed but provide options for future use) and 6,200 bridges— is an important priority in fulfilling the Forest Service mission. Maintaining our facilities saves money over time and provides for safe, pleasurable, and accessible sites for the public’s enjoyment while recreating. In FY 2013, strategic investments in facilities and infrastructure maintenance will reduce our agency’s environmental footprint and save money by lowering energy costs. This budget request proposes deferring new facilities construction when other cost-effective and reasonable options exist.

This budget request also prioritizes road maintenance to ensure we protect water quality, meet Highway Safety Act standards, and meet the need for motorized use, as identified on Forest Service motor vehicle use maps. We also emphasize replacing deficient bridges, upgrading stream crossings, and providing a transportation system to and from timber and stewardship project sites that support local jobs and our collaborative restoration priorities.

### Fire Theme

Our final priority for the FY 2013 budget request reflects the President’s commitment to a responsible budget for wildland fire management. We will continue to partner with States, communities, and other Federal agencies to maximize our suppression capabilities and support community efforts to reduce direct threats from wild fires.

Wildland fire is a natural and necessary component of restoring ecosystem resilience in fire-adapted ecosystems. In many places, drier conditions and longer fire seasons, along with invasive species like cheatgrass, have further altered the timing and pattern of fire, making fires bigger and harder to suppress. Addressing these challenges will reduce fire risk to communities and maintain and create jobs through activities that restore ecosystem resilience.

The cost and complexity of both fuels treatments to reduce fire risk and wildfire suppression have gone up due to growing numbers of housing developments adjacent to wildlands and other factors. In this context of more costly fire management, we continue to refine our use of decision-support tools. These tools help us allocate resources more efficiently and to adopt appropriate risk management principles. Further, we responded to the Federal Land Assistance, Management and Enhancement (FLAME) Act of 2009 by collaborating broadly to develop the new National Cohesive Wildland Fire Strategy. The strategy is designed to:

- Restore and maintain resilient landscapes at a regional and sub-regional scale;
- Create fire-adapted communities; and
- Respond to wildfire effectively through partnerships among local, State, Tribal and Federal fire organizations.

The Nation depends on the Forest Service to take proactive measures to reduce the threat of wildfire. By working proactively to re-establish fire-adapted ecosystems, we can reduce the costs associated with catastrophic wildfire. The proposed budget for FY 2013 would direct fire management resources toward the highest priority areas while maximizing cost-effectiveness. We are ready to protect life, property and community, and public safety.

### Fuels Reduction Priorities

The **Hazardous Fuels** budget line item for FY 2013 focuses on treatments in the wildland-urban interface and other high priority areas with a target of one million acres vital to protecting lives, property and public infrastructure. The priority for these funds is in wildland-urban interface communities that are working to achieve Firewise standards, have demonstrated local investment, and that have developed a Community Wildfire Protection Plan. The agency will continue to emphasize the importance of Community Wildfire Protection Plans by prioritizing hazardous fuels treatments in Wildland Urban Interface areas that are indentified in these plans. This funding is also used for grants that encourage woody biomass utilization and to facilitate market development for the biomass removed from the landscape through fuels treatments.

Biomass for energy is an important byproduct of hazardous fuels reduction and restoration work. Currently one-quarter of all renewable energy consumption comes from wood. Biomass utilization is important because it helps diversify the forest products industry and creates new markets that ensure alternative uses for material that would otherwise be piled or burned at the treatment site. With active management, America's forests can sustainably supply woody biomass for fuels and high-value chemicals and help meet national energy, environmental, and employment goals.

In FY 2013, the Forest Service plans to reach out to municipal water providers and pursue additional investments to protect water supplies. For example, three of the five major Front Range water utilities (in Denver, Aurora, and Colorado Springs) have invested nearly \$34 million in forest thinning treatments to reduce wildfire risks. Our strategy is to attract investments from all Front Range cities and to substantially increase amounts invested by those cities and other partners through matching Forest Service funds.

The hazardous fuels management efforts compliment restoration activities conducted through **Integrated Resource Restoration** and the **Collaborative Forest Landscape Restoration**

**Program** to reduce fuels, restore forest landscapes, and protect communities. These projects leverage partner investments through innovative collaboration to restore landscape resilience across 50,000 acres or more. Contracted services for fuels reduction in core forest zones provide jobs, as do the forest products and woody biomass utilization activities that result from fuels removal and reduction.

### Preparedness Priorities

The second way we are responsibly addressing wildland fire management with this budget request is through our Preparedness program, which ensures the capability to protect life, property, and natural resources while assuring an appropriate, risk informed and effective response to wildfires, consistent with land and resource management objectives.

The preparedness program pre-positions resources as needed to ensure an appropriate, risk-informed, and effective wildfire response. This budget also includes \$24 million to pay for the increased costs of modernizing the firefighting large airtanker fleet. We are soliciting bids for modern air tankers to complement the remaining 11 in our fleet.

### Suppression Priorities

The suppression program combined with the FLAME Wildfire Suppression Reserve Fund, meets the funding level at the 10-year average cost of suppression for FY 2013. Wildland fires continue to be larger and more difficult to suppress due to many factors including longer fire seasons, fuel accumulation, and the increased size and complexity of housing developments adjacent to or in forested lands.

In FY 2011, the Forest Service contained over 97 percent of the fires we managed during initial attack. Wildfire response decision making is evolving based on risk-informed analysis that reduces exposure to wildland firefighters while ensuring that high-value resources are protected. The results of these decisions allow us to manage fires more cost-effectively while achieving agency land management objectives by enabling fire to play its natural role in restoring landscapes. For FY 2013, the Suppression, Preparedness and FLAME budget request continues to emphasize our efforts related to strategic risk assessment and programs to improve wildland fire operational decisions and meet overriding objectives of maintaining public and firefighter safety. These efforts are expected to result in significant increases in the effective and efficient use of agency resources.

For the few fires that escaped initial attack, the percentage that exceeded expected containment costs fell from 39.7 percent in FY 2010 to 20.8 percent in FY 2011, a notable achievement in responsibly budgeting for fire suppression. Implementing the agency's broader restoration goals will lead to further progress. Given the highly variable nature of fire seasons from year to year, the FLAME Wildfire Suppression Reserve Fund ensures our ability to cover the cost of large, complex fires that escape initial attack.

### **Gaining Efficiencies and Cost Control Measures**

We must be efficient and effective in meeting our mission and delivering services to the American people. We have been gaining efficiencies, managing costs and our workforce to achieve our mission in the past and will continue to do so. We are making difficult choices to

work better and leaner to live within constrained budgets. The Forest Service's FY 2012 target for cost savings is \$44 million. Reduced travel accounts for \$14 million of these savings. An additional \$30 million is achieved through new acquisition management procedures including the use of strategic sourcing, competitive and/or performance-based contracts, and ongoing training of contracting staff to better manage contracts.

Our efforts to gain efficiency in FY 2012 and this FY 2013 budget request focus on implementing the President's Executive Order, Promoting Efficient Spending. We identified reduced spending levels in travel, information technology, printing, fleet and promotional items. We have planned a \$100 million reduction in cost pools over the course of FY 2013 and FY 2014. We are also implementing the USDA Administrative Solutions Project to reduce redundancies and take advantage of existing resources across USDA. We will also continue our strategic investments in safety and cultural transformation for our employees. These efforts will enable employees to spend less time on operational functions and more time on priority work in a safe, healthy and productive manner. We expect these efforts to result in costs savings in the future. We also estimate that our workforce will be reduced by nearly 1,500 full-time equivalents between FY 2011 and FY 2013. This level of reduction is within our average annual attrition rate. We will continue to manage our workforce and organizational changes to provide service at the local level.

## **Conclusion**

The Forest Service's fiscal year 2013 President's Budget aligns with priorities set by the Administration and the Department of Agriculture while balancing the need for fiscal restraint. The magnitude and urgency of forest restoration work, along with the demand for safe, accessible outdoor recreation opportunities, are growing in a context of declining budgets. This means that the agency will face unprecedented fiscal challenges in the next few years. The Forest Service must act strategically and tackle fiscal challenges directly, focusing our resources on continuing to provide services and goods to the American public.

Through landscape-scale conservation, our three funding priorities of restoration, communities, and fire will pass on to future generations the water, wildlife habitat, renewable resources, scenic beauty, and other natural riches that Americans enjoy today from their forests and grasslands.