

President's FY2011 Budget Request Selected Highlights and Summary Items

Prepared for Rural Voices for Conservation Coalition

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Overall, RVCC participants should be very pleased with the President's budget. The FY2011 request includes some very positive elements for rural communities and landscape-scale restoration, reflecting many long-held RVCC priorities for the USDA Forest Service Budget in particular.

US DEPARTMENT OF AGRICULTURE -- FOREST SERVICE

This year's Forest Service budget contains a general shift to a focus on restoration and stewardship and changes that will allow the agency to focus resources in those areas.

National Forest System - Integrated Resource Restoration (IRR) Line Item

The President's budget proposes to consolidate three line items under the NFS into one Integrated Resource Restoration Line Item. Line items to be consolidated include: Wildlife and Fisheries Habitat Management, Forest Products, and Vegetation and Watershed Management. This new line item includes three budget categories,

Restoration and Management of Ecosystems	\$603,780,000
Collaborative Forest Landscape Restoration Program	\$ 40,000,000
<u>Priority Watersheds and Job Stabilization.</u>	<u>\$ 50,000,000</u>
Total Funding IRR	\$693,780,000

For comparison, the three NFS line items consolidated into this account totaled \$667,680,000 in the FY2010 budget (not including FLRP which was funded under Hazardous Fuels last year).

Excerpt from President's Budget that describes these new changes:

Restoration and Management of Ecosystems – The budget proposes \$604 million to fund the treatment of terrestrial and aquatic ecosystems to sustain or restore watershed function and resilience. Some of the key actions to be funded under this activity are reforestation projects, watershed improvement activities, and habitat improvement projects that can demonstrate immediate increases in wildlife or fish populations or ranges, e.g. fish barrier removal. Stewardship contracts and agreements will be one of the main authorities used to manage natural resources. Forest products removed in restoration activities will not only look to traditional markets but also include a focus on new and emerging markets.

Collaborative Forest Landscape Restoration Fund - Using the authorities provided through Title IV of the Omnibus Public Land Management Act of 2009 (as the Forest Landscape Restoration Act (FLRA))(16 U.S.C. 7301), the Forest Service budget provides full funding (\$40 million) for the Collaborative Forest Landscape Restoration fund. This fund will be used for ecological treatments contributing to significantly improving watershed conditions, creating landscapes that are more

resilient to climate change, and reducing fire risk. Through collaboration with stakeholders, at least ten landscape-scale projects will be cost-shared.

Priority Watersheds and Job Stabilization – Under this \$50 million initiative, rapid watershed assessments will be conducted of all NFS lands; the agency will prioritize watershed improvement work; and work that can demonstrate a change in watershed condition will be funded in a variety of watersheds across the country. Priorities will be informed by identification in the State Forest Assessments, watershed condition, costs, and input from local communities. Under this initiative Forest Service will also conduct an assessment of the Agency’s likely biomass outputs for the next ten years to inform and support biomass utilization sites, and will issue a scattering of stewardship contracts (up to ten years in duration) to create and secure green jobs in the places where long-term investments in infrastructure are most needed. Creating job opportunities for youth in rural areas will be an important part of this initiative. In order to advance projects expeditiously the agency is proposing a streamlined objection process through which administrative challenges are heard under established timelines.

The full description of this new line item begins on page 155 of the FY2011 FS Budget Justification, which can be found on the FS website.

Wildfire Funding

The President’s budget continues to fund wildfire suppression at a level consistent with the intent of providing a solution to the borrowing problem. The President’s budget funds suppression in three different places:

Regular Suppression	\$595,000,000
FLAME Reserve Fund	\$291,000,000
President’s Contingency Reserve	\$282,000,000

Additionally, some funds were transferred into the Preparedness budget (that had been accounted under suppression in previous years), which explains some of the drop in this year’s regular suppression budget and the concurrent increase in Preparedness (funded at \$1,000,820,000). Please see budget justification for details.

Biomass Related Funding under Wildland Fire – Hazardous Fuels

Biomass Grants Program	\$ 5,000,000
Forest Biomass Energy Program ('08 Farm Bill)	\$15,000,000
Community Wood Energy ('08 Farm Bill)	\$ 5,000,000

Land and Water Conservation Fund

Received a big boost under President’s budget. On track for fully funding program as authorized.

State and Private – Forest Legacy	\$100,110,000
Land Acquisition	\$ 73,660,000

Community Forest and Open Space

Funded under the State and Private Forestry Appropriation at \$1,000,000.

Other Forest Service Line Item Funding Levels of Interest

All dollar amounts in millions

Line Item	President's FY2011 Request	Change from FY2010
S&PF – Fed. Lands	\$56.2	-2%
S&PF – Coop Lands	\$45.9	-5%
S&PF – State Fire Asst.	\$35.35	-10%
S&PF – Vol. Fire Asst.	\$7	=
S&PF – Forest Stewardship	\$29.5	+1%
S&PF – EAP	\$0	-\$5
NFS – Recreation, Wilderness and Heritage	\$293.2	+3%
WFM – Forest Health –Fed	\$14.4	-30%
WFM- Forest health –Coop	\$7	-39%
WFM- State Fire Asst.	\$50	-30%
WFM- Vol. Fire Asst.	\$7	-22%
Capital Improve- Roads	\$164.4	-31%
Capital Improve – Trails	\$83	-3%
Legacy Roads	\$50.4	-44%

US DEPARTMENT OF AGRICULTURE – NATURAL RESOURCE CONSERVATION SERVICE (NRCS)

Select NRCS Line Items

All dollar amounts in millions

Line Item	President's FY2011 Request	Change from FY2010
Wetland Reserve Program	\$502	-18%
Conservation Operations – Conservation Technical Assistance	\$797	+5%
Grassland Reserve Program	\$79	-22%
Healthy Forest Reserve Program	\$10	-37.5%
Wildlife Habitat Incentives Program	\$73	-14%
Conservation Stewardship Program	\$629	+34%
Farm and Ranchland Protection	\$160	+7%
Environmental Quality Incentives Program	\$1,208	+2%
Resource Conservation & Development	0	-100%

US DEPARTMENT OF AGRICULTURE – RURAL DEVELOPMENT

Rural Innovation Initiative

The President's budget proposes a new **Rural Innovation Initiative** designed to promote economic opportunity and job creation in rural communities, administered by Rural Development. The proposal sets aside more than \$130 million, roughly 5 percent of the funding from approximately 20 existing programs, and allocates these funds competitively among regional pilot projects tailored to local needs and opportunities. This targeting effort will allow USDA to prioritize areas with the greatest need and potential by encouraging comprehensive and innovative approaches to foster rural revitalization.

Select Rural Development Line Items

All dollar amounts in millions

Line Item	President's FY2011 Request	Change from FY2010
Rural Business Enterprise Grants	\$39	=
Rural Business Opportunity Grants	\$3	-40%
Value Added Producer Grant Program	\$20	=
Rural Microenterprise Investment Program	\$12	-8%
Rural Energy for America Program	\$39	-2.5%
Business and Industry Guaranteed Loan Program	\$40	-24.5%
Intermediary Relending Program	\$14	+75%

US DEPARTMENT OF AGRICULTURE – FARM SERVICE AGENCY

Biomass Crop Assistance Program

Proposed allocation for this program is \$479 million, an increase of 82% over last year.

DEPARTMENT OF INTERIOR – DEPARTMENT-WIDE PROGRAMS

Wildland Fire Suppression

The President's budget continues to fund wildfire suppression at a level consistent with the intent of providing a solution to the borrowing problem. The President's budget funds suppression in three different places:

Regular Suppression Operations	\$288,000,000
FLAME Reserve Fund	\$ 96,000,000
President's Contingency Reserve	\$ 75,000,000

Hazardous Fuels Reduction

A decrease of \$44,137,000 is proposed for this activity. The Department will focus the balance of program funds on reducing risks in the wildland urban interface.

DEPARTMENT OF INTERIOR – BUREAU OF LAND MANAGEMENT

Land Acquisition Funding

The budget includes \$79,771,000 in Land Acquisition project funding, an increase of \$55,121,000 over the 2010 level.

The 2011 BLM budget request makes a major contribution to the **Treasured Landscapes Initiative** with a \$13.1 million increase for high priority line-item land acquisition projects. The request also includes a program increase of \$1.3 million in Wilderness Management targeted to new wilderness areas designated by the recently enacted Omnibus Public Land Management Act.

Climate Change Adaptation Initiative

The 2011 BLM budget request includes a \$2.5 million increase in support of this initiative to conduct ecological assessments to improve understanding of the existing condition of BLM landscapes at a broader level, identify potential impacts from climate change, and develop and implement strategies and conduct on-the-ground restoration projects to help native plant and animal communities adapt to climate change.

Federal Land Transaction Facilitation Act

The budget proposes eliminating the Act's July 2010 sunset date and allowing lands identified as suitable for disposal in recent land use plans to be sold using the FLTFA authority. The FLTFA sales revenues would continue to be used to fund the acquisition of environmentally sensitive lands and the administrative costs associated with conducting sales.

Other BLM Line Items of Interest

All dollar amounts in millions

Line Item	President's FY2011 Request	Change from FY2010
Challenge Cost Share Program	0	-100%
Riparian Management	\$22.6	=
Wildlife and Fisheries Management	\$48.9	-3%
Resource Management Planning	\$41.4	-17%
Rural Fire Assistance	0	-100%
Oregon & California Land Grants	\$106	-5%

US DEPARTMENT OF INTERIOR – FISH AND WILDLIFE SERVICE (FWS)

Climate Change Adaptation Initiative

Funded at a total of \$40 million in FY 2010 and \$58.75 million is requested in FY 2011. The Fish and Wildlife Service primary contribution will be in leading the implementation of many Landscape Conservation Cooperatives (LCCs.) These LCCs will be the primary mechanism utilized by the Service to both conserve fish, wildlife and their habitats across America's landscapes and help these resources adapt to climate-changed environments.

Partners for Fish and Wildlife Climate Adaptation Program, funded at a \$2 million increase, will expand direct technical and financial assistance to private landowners and implement cost-effective projects to restore, enhance, and manage fish, wildlife and plants and their habitats on private land.

Select FWS Line Items

All dollar amounts in millions.

Line Item	President's FY2011 Request	Change from FY2010
Climate Change Adaptation Initiative	\$58.75	+ 46.9%
Youth in Natural Resources – Jobs (This is in two line items: NFWF and Youth Conservation Corps)		+ \$2.5
Endangered Species Consultation/HCP -- New Energy Frontier – Conservation planning assistance and ESA consultation for renewable energy projects		+ \$ 2