

**TESTIMONY OF NOLAN C. COLEGROVE, SR., PRESIDENT,  
INTERTRIBAL TIMBER COUNCIL, SUBMITTED TO THE  
SENATE APPROPRIATIONS SUBCOMMITTEE FOR THE INTERIOR,  
ENVIRONMENT, AND RELATED AGENCIES ON  
FY 2010 APPROPRIATIONS FOR THE B.I.A., O.S.T., AND WILDLAND FIRE  
MANAGEMENT,  
MARCH 30, 2009**

**Summary**

Madam Chairman, I am Nolan C. Colegrove, Sr., President of the Intertribal Timber Council. I am a member of the Hoopa Tribe and serve as its Forest Manager. I am pleased to submit this testimony for the Subcommittee's formal FY 2010 hearing record with the following recommendations for FY 2010 Indian forestry-related activities in the Bureau of Indian Affairs (BIA), the Office of the Special Trustee (OST), and Wildland Fire Management:

1) In BIA Natural Resources Management, increase BIA TPA Forestry by at least \$2.6 million to adjust for the 14.1% consumer price increase since FY2003 and up to an additional 25% to maintain the pace of appropriations provided for the Forest Service and BLM. The glaring gap in per acre appropriations for Indian forests compared to those provided for Forest Service and BLM lands continues to widen. From FY 2004 to FY 2009, BIA TPA Forestry funding increased only 3.8%, compared to 25.5% for the Forest Service timber harvest budget and 26.5% for BLM public domain forest management. We request that the Committee initiate a 5 year program to fund Indian forestry at per acre levels comparable to the Forest Service and BLM so as to honor the trust responsibilities of the United States.

2) In BIA Natural Resources Management, restore \$1 million to the Timber Harvest Initiative, and increase Forest Development by \$5 million, to begin making-up for an outright funding decline from FY 2004 to FY 2009.

3) In BIA Natural Resources Management, provide \$4.7 million for ESA, including \$2.3 million for Northern Spotted Owl and marbled murrelet.

4) In OST, restore Land Consolidation to the FY 2007 \$59.5 million level, and direct priority for Youpee interests and forest and other high value lands.

5) For Wildland Fire, continue to support preparedness, standardize USFS and DoI fire cost accounting and business principles, and direct fire 638 indirect costs to the BIA indirect cost pool.

**Intertribal Timber Council background.**

The Intertribal Timber Council (ITC) is a 33 year old organization of 70 forest owning tribes and Alaska Native organizations that collectively manage 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, increase BIA TPA Forestry to adjust for inflationary costs and increase funding to levels comparable to those provided to the Forest Service and BLM. From FY 2004 to FY 2009, BIA TPA Forestry funding has increased only 3.8%, while the Forest Service timber harvest budget has increased 25.5% and BLM public domain forest management has increased 26.5%.**

Last year, the ITC testified that a 2003 independent report noted that BIA Forestry receives only about one third the funding provided the US Forest Service. Now, a comparative review of federal agency forestry budgets from FY 2004 to FY 2009 shows the situation is becoming much worse for BIA Forestry.

	<u>FY 2004</u>	<u>FY 2009</u>	<u>\$ difference</u>	<u>% difference</u>
BLM Pub. Dom. Fst. Mgmt.	\$8,093,000	\$10,242,000	+\$2,149,000	+26.55%
USFS NFS For. Products	\$265,013,000	\$332,666,000	+\$67,653,000	+25.528%
BIA TPA Forestry	\$24,641,000	\$25,574,000	+\$933,000	+3.786%
BIA Forestry Projects	\$17,758,000	\$17,629,000	-\$129,000	-0.726%

US Dept. of Labor Bureau of Labor Statistics, Consumer Price Index increase from Oct, 2003 (start FY '04) to January 2009: 14.1%.

Madam Chairman, it is startling and grossly unfair that BIA TPA Forestry has only received a 3.8% funding increase over the past five years while the BLM Public Domain Forest Management and the Forest Service Forest Products timber sales budgets, which perform roughly equivalent functions, have received increases of 26.5% and 25.5%, respectively. The U.S. has a trust responsibility for our forests, and is liable for any mismanagement. Our tribal governments, often among the neediest in the Country, rely on our forest revenues to provide basic services, and our forests are very hard-working, providing commodity production, clean air, water, fish & wildlife habitat, and cultural values. From our 18 million forest acres, our FY 2008 harvest is estimated at 500 million board feet, on a per acre basis, about 250% of the harvest from the 193 million acres of Forest Service forest lands. Each year we are being required to do more with less funding than is being provided for Forest Service and BLM lands. Given the fiduciary trust responsibility of the U.S., our forests should be receiving the resources necessary to ensure first class management.

Chronic underfunding of BIA Forestry is stripping personnel from our forests. Anecdotal data indicates a large and increasing number of professional forestry positions are going unfilled in Indian Country because funding is decreasing. Insufficient fixed cost increases eat into the program. Management capacity is seriously eroding. At current funding levels, we are struggling just to provide basic management functions, and important issues such as adaptive adjustments for climate change, which other federal forest management agencies are now focusing on, are left unattended.

To begin to correct this disparity, the ITC urges the addition of \$2.6 million to BIA TPA Forestry to offset inflationary costs of 14.1% from FY 2004 to FY 2009 (reported by the Department of Labor) and that BIA Forestry be increased by at least 25% to provide funding increases on a par with those provided for the Forest Service and BLM since FY 2003. We would welcome an opportunity to sit down with the

Subcommittee to learn why these disparities have persisted and grown, and what might be done to eliminate them.

**2) In BIA Natural Resources Management Forest Projects, restore \$1 million to the Timber Harvest Initiative, and increase Forest Development by \$5 million, to begin making-up for an outright funding decline from FY 2004 to FY 2009.**

From FY 2004 to FY 2009, the BIA Forestry Projects budget has declined outright from \$17.8 million to \$17.6 million, impairing BIA's ability to perform Forestry Project trust functions. To begin to address this problem, the ITC requests that \$1 million be restored to the Timber Harvest Initiative and \$5 million be added for BIA Forest Development.

Since the early 1990s, the Timber Harvest Initiative has provided additional forest harvest capacity to those reservations with a timber harvest backlog, so they can both meet demand and come into compliance with the forest management plans. In FYs '08 and '09, funding for this initiative was cut from \$1.8 million to \$800,000. While we recognize that the timber market is currently depressed, we anticipate that the timber market will rebound and Indian country needs to have projects prepared and ready for sale. We urge that \$1 million be restored to the Timber Harvest Initiative to assure BIA can flexibly manage trust harvest obligations.

The ITC also requests that BIA Forest Development funding be increased by \$5 million. Currently, about one-sixth of the Indian trust commercial forest needs 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 treated 58,000 acres. For FY 2009, BIA's goal is to treat 52,000 acres, a reduction of more than 10% from FY 2005. With a million acre backlog, more acres must be treated, not less. A \$5 million increase for FY 2010 will treat an additional 30,000 acres, and 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.

**3) In BIA Natural Resources Management, provide \$4.7 million for ESA, including \$2.3 million designated for Northern Spotted Owl and marbled murrelet surveys.**

Madam Chairman and Members of the Subcommittee, the ITC wishes to express our great appreciation for this Subcommittee's addition of \$1 million to BIA ESA funding for both FY 2008 and FY 2009. Without that restoration, there would be no BIA Endangered Species activities in the field, where the listed species are and the various surveys and protocols must occur.

In FY 1991, Congress initiated BIA ESA funding with \$1 million in Forestry for the Northern Spotted Owl. In FY 1995, the marbled murrelet increased that to \$1.83 million. In FY 2002, BIA moved those funds from Forestry to a new office and increased funding for all ESA activities to \$3 million, acknowledging the substantial ESA needs throughout BIA's 56 million trust acres. But thereafter, funding steadily declined, and despite continuing ESA mandates, among the forestry tribes with the Northern Spotted Owl and the marbled murrelet, our field-level funding declined precipitously – to zero in FY 2007. While we are pleased with the Committee's restoration of \$1 million in FYs 2008 and 2009, we are concerned that the BIA now distributes these funds nationwide,

paying little regard to the Northern Spotted owl and marbled murrelet purpose for which the funds were initially sought and provided.

For FY 2010, we ask that BIA Endangered Species be funded at least at \$4.7 million. That is based on the \$21.7 million provided for BLM ESA in FY 2009, or 8.4 cents per acre for BLM's 258 million acres, applied to BIA's 56 million acres, or \$4.7 million. Within that \$4.7 million, we also ask that \$2.3 million be designated for the Northern Spotted Owl and marbled murrelet, so that tribes that initiated the program can have their funds restored to inflation adjusted levels provided in FY 1995.

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

We ask that the Land Consolidation program be restored to the \$59.5 million level requested in FY 2007. Land fractionation is a root cause for many of Interior's high costs and difficulties in trust fund and trust asset administration, and must continue to be aggressively addressed. We are not aware of any Land Consolidation Program problems over its nine year history that warrant its elimination, and we are not aware of any OST out-reach to tribes to discuss the need for an "alternative approach." In reviving \$59.5 million to 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) For Wildland Fire, continue to support preparedness, standardize USFS and DoI fire cost accounting and business principles, and direct fire 638 indirect costs to the BIA indirect cost pool.**

The ITC appreciates the Subcommittee's maintenance of preparedness funding in FY 2009 and urges it be expanded in FY 2010 by implementing the following recommendations.

The ITC recommends that Forest Service and Interior Department fire cost accounting and business practices be standardized, particularly given the idea that the Forest Service could be moved to DoI. Current accounting differences result in significant cost allocation differences between the Departments. The charging of Indian hot shot crews to BIA's preparedness budget, when Forest Service crews are charged to suppression, is one such example. The hiring of Indian hot shot crews is truly a national suppression resource, and requiring BIA to charge those crew costs to preparedness is inappropriate and a needless penalty on tribal preparedness funding. Hot shot crews, regardless of their origin or Department, should be charged as suppression resources.

We also ask that Congress direct BIA to charge 638 indirect costs for tribal wildland fire contracts to the BIA indirect cost pool, rather than the preparedness account. This preserves BIA preparedness funding's effectiveness and brings 638 tribal wildland fire contracting activities into congruence with other BIA contracting indirect cost practices.

That concludes the ITC FY 2010 testimony. Thank you.