MADAM CHAIRMAN AND MEMBERS OF THE SUBCOMMITTEE:

Thank you for the opportunity to discuss the future of the Forest Service. My name is Randle Phillips, and I am the Deputy Chief for Programs and Legislation for the Forest Service.

Today I would like to discuss with you what we expect as the Forest Service begins our second century of caring for the land and serving people.

Introduction

Gifford Pinchot founded the Forest Service on the principle that “The conservation of natural resources is the key to the future.” The conservation principle has always served the interests of the land and America's future generations. Through a system of public lands, the fledgling Forest Service protected watersheds in the West. After the Great Depression, we were again called upon to help restore millions of acres of abandoned farmland in the Midwest and East.

Following World War II, we worked with the growing timber industry to help fulfill the national dream of providing families with single-family homes. Our timber harvests escalated for nearly a quarter of a century.
Along the way, we realized this wasn't sustainable and, at those rates, actually harmful to the other ecological values the public treasures. The enactment of a host of environmental laws underscored this point. In the end, we were simply slow to change, and starting 10 years ago the changing times and concerns about the long-term health of the land caught up with and overran us in a flood of controversy, lawsuits, and injunctions. We’ve learned that we must be responsive to new demands and new science—increasing demands for clean water, healthy habitat for fish and wildlife, recreation opportunities, and ecologically sustainable timber harvests. In essence, we learned we had to manage for true multiple use purposes.

**Natural Resources Agenda**

As the Forest Service was struggling to change, there was concern within some in Congress, the public, and even the agency that the Forest Service had lost sight of its mission. The sense of confusion over our core purpose permeated Congressional hearings, media reports and even internal dialogue. To lend priority and focus to our multiple use mission we crafted the Natural Resources Agenda.

The Natural Resource Agenda focuses on watershed health and restoration, sustainable forest and grassland ecosystems, recreation, and roads and roadless areas. The Agenda is fully incorporated in our soon to be released strategic plan (2000 revision).

This Agenda reaffirms our commitment to our roots, our commitment to caring for the land, our commitment to serving people, our commitment to sustainability, our commitment to conservation. Pointing to the 70% decline in our timber sale program over the past decade, many have argued that the Forest Service is no longer a multiple use agency. I want to make clear that true multiple-use is thriving in the Forest Service. For example, consider some of the many achievements and National Forest uses in fiscal year 1999:

- Enhanced 11,300 acres of inland lakes
- Treated 87,000 acres of rangelands for noxious weeds
- Managed 34.7 million acres of wilderness
- Helped place 1.8 million acres of non-industrial private forest lands under stewardship management plans
· Issued 23,800 recreation special use permits
· Preserved 4,350 heritage sites
· Maintaining 5.2 billion board feet of timber under contract
· Decommissioned 2,900 miles of road
· Reconstructed 1,750 miles of trail
· Reforested 267,000 acres
· Restored 184,500 acres of wildlife habitat
· Maintained 262,000 acres of forestlands through stand improvement
· Cleaned up 29 hazardous substance sites
· Published 2,700 research publications
· Improved 82,000 acres of threatened and endangered species habitat
· Assisted 11,100 communities through urban forestry
· Assisted 2,450 community and volunteer fire departments
· Administered 8.9 million animal head months of grazing
· Extinguished more than 98 percent of wildfires in initial attack
· Eradicated more marijuana from national forests and grasslands than was seized by the U.S. Customs Service in FY 1999

The balance of uses may continue to evolve as we learn more through monitoring and research; however, multiple use has never meant that we should do everything on every acre simply because we can.
Watershed Health and Restoration

Consistent with the Organic Act, watershed health and restoration remain the oldest and highest calling of the Forest Service. We will continue to make watershed health the overriding objective of national forest and grassland management. Forested lands comprise about one-third of the nation’s land area and supply about two-thirds of the total water runoff in the United States. We estimate the marginal value of water on National Forest system lands to be more than $3.7 billion per year.

If you asked a group of Forest Service leaders what their top land management challenges are they would undoubtedly respond that the threat to watershed health from the introduction and spread of invasive and noxious species. More than 2,000 invasive and noxious plant species, 400 non-native forest insects, 20 tree pathogens, and countless exotic aquatic species are already established in the United States. On public lands, the annual spread of invasive plant species exceeds the size of Delaware. Economic and ecological losses continue to spiral upward. The cost of invasive species to our economy is estimated at over $136 billion per year.

The Forest Service continues to work with federal, state, local partners and tribal governments to integrate all of its program areas to slow the spread of invasive species on public and private lands and restore the ecological integrity of already impacted areas. One of our key objectives in restoring the land after this fire season is to control the spread of invasive species.

Another concern they would tell you about is the increasing challenge in managing the urban-wildland interface. Demographics are changing. Eight out of the ten fastest growing states are in the West. As more people move into the West, we are seeing more people building homes near public lands. People want to live near these lands for their solitude, the aesthetics, as well as the recreational opportunities. As more people move into these areas, the Forest Service must collaborate with them in establishing management priorities. We need to help communities understand the ecosystems in which they live, the resources the local, state, and federal partners have in protecting them, and the actions they can take to protect themselves.

Recently the Secretaries of Agriculture and the Interior sent a report to the President on "Managing the Impact of Wildfires on Communities and the Environment." While the Report identifies the necessary resources for firefighting
operations and short-term emergency rehabilitation of communities and ecosystems damaged by fire, its most significant component identifies a strategy for the long-term protection and restoration of communities and ecosystems at risk. The Report also highlights the imperative of cooperative efforts with state and private partners to reduce hazardous fuel accumulations in and around communities and risks to homes and property through programs such as FIREWISE. In response to this report the agency has developed a set of principles to guide Forest Service efforts to address rehabilitation needs and reduce future risk of unnaturally intense wildland fires to communities and natural resources. To make this successful, we will need community help and involvement—we can't do this alone. This is perhaps our greatest challenge.

**Sustainable Forest and Grassland Ecosystems**

Sustainable resource management entails a consideration of basic social, economic, and ecological factors. For example, our proposed forest planning regulations are based on the simple premise that we cannot meet the social and economic needs of people without first securing the health of the land. Recognizing that we alone do not have all the answers, the proposed planning regulations are built on a cooperative framework of solving issues raised by the public, monitoring, or other scientific information. From the Monongahela lawsuit in 1973, to the spotted owl litigation of the early 1990's, we have learned that we must work with more people from all perspectives as we manage the national forests and grasslands.

The proposed forest planning regulations alone will not secure the sustainability of our nation’s forests or the communities that depend on them. Private forest lands comprise 59% of the nations wood supply. In the South, for example, research indicates that softwood timber harvest rates on private lands may exceed forest growth rates. In the future, we will want to broaden the voluntary state and private forestry programs to help non-industrial private landowners accomplish their land management objectives. Farmers and ranchers have access to federal conservation dollars and so should owners of timber lands.

With the shift in demographics there will be an increasing need for the agency to reach out to urban and suburban areas to help them re-green. The agency will need to continue to find creative ways to share information and build new partnerships with schools, groups and interested individuals to be able to provide the information people need to understand and be informed about public land management.
Forest Service Research and Development has played, and will continue to play, an important role in our approach to promoting sustainability. The need for research associated with all forest resources and uses will increase. The role of the Forest Service is to provide accurate, timely, and impartial information on the condition of forests through such programs as Forest Inventory and Analysis. In the future, we will integrate forest ecosystem health measures into this program and work with our state and federal partners to assess the overall health of the nation’s forests, across all ownerships.

We will see growth in state and private forestry and research as the demand for our expertise and services will continue to increase to address urban forestry needs, invasive species, and research needs. We will also see increased demand for our international programs to work with other countries to address invasive species, migratory bird issues, and sustainable forestry.

National forests should serve as an international model for sustainable forestry. Stewardship-oriented timber harvest of low value material encourages new business opportunities that can utilize and process small diameter wood fiber as well as improving habitat for many important wildlife species. Without this commitment, Congressional investments and private sector opportunities in restoration and stewardship will be reduced. The Forest Service needs to continue research on effective operations to harvest and process small diameter material into value-added products.

As we are one global economy, we are certainly one global environment with a limited amount of natural resources to manage. As we dive into the 21st century, sustainable use of our natural resources and the protection of key wildlife habitat will become critically important to each and every one of us. The Forest Service is already an important agency in these worldwide efforts, but it can become an even greater leader if future administrations, Congress, universities, and the nonprofit and business communities support our research and outreach programs to other nations. Our very existence on this planet depends on ensuring that the world's natural resource base is managed sustainably.

**Recreation**

Recreation is the fastest growing use of our national forests and grasslands. Outdoor recreation is the window through which an increasingly urban society learns about conservation of natural resources and develops an appreciation for the
outdoors and enjoys nature. As with any use we must tread lightly on the land and live within its limits.

To address the future of recreation on our national forests and grasslands we are nearly finished in developing a recreation strategy that focuses on the people we serve and where they want us to invest our limited resources.

The objective of the recreation strategy is to expand upon recreation opportunities in a manner that benefits local communities and improves the health of our lands and waters. However, in an era of constrained budgets, we must find new ways to ensure quality visitor experiences while maintaining our existing infrastructure.

**Roads and Roadless Areas**

Two of the most vexing challenges faced by the Forest Service over the past decade is how to best protect roadless areas and how to manage our deteriorating road system that provides so many people access to the forests they love. Our proposed road management policy would provide the tools and the direction to provide access to forests in an environmentally responsible manner. Our objective is to help make the Forest Service road system safe, responsive to public and agency needs, environmentally sound and affordable to manage. The proposed rule would provide the direction for local managers to work with communities of place and interest and local governments to decide what Forest Service roads are high priority and which roads are no longer needed. In the past, the agency has not always done the best job of working with local governments and the public when making road decisions. This proposed rule would help facilitate and ensure that everyone has an opportunity to be involved in decisions concerning roads.

The roadless area conservation proposal would protect unfragmented habitat that is crucial to many species of wildlife and rare plants, to serve as reference areas for research, and to maintain largely undisturbed landscapes and recreational opportunities in undeveloped settings. This proposed rule would help the public and the agency move past the controversial debate about how roadless areas should be managed and allow the agency to focus limited resources on areas that are less controversial.

**Accountability**

Sound natural resources management must be grounded in modern business management practices. Chief Dombeck has made the Forest Service’s
performance and financial management accountability a priority. And, we have made progress. I am hopeful that we will receive a qualified audit opinion on our FY 2000 financial statements. Such progress by itself, however, will not restore the agency’s credibility with Congress and the American people. A change in agency culture must occur — a change based on the knowledge that we cannot be effective resource managers if we are not first accountable for the taxpayer’s money and for our own actions on the landscape. We see the beginning of that change now with more emphasis and attention from line officers and implementation of sound business practices.

In addition, the Forest Service will need to fully implement the concept of e-government to meet the public needs and to be able to more effectively and efficiently provide the level of service that the public demands. To increase our availability to the public, the one-stop shopping concept that has been so successful will need to be implemented throughout the agency.

**Summary**

The future challenges of the Forest Service are significant, but in many ways, not unlike what they have always been. Some may disagree, but I believe the leadership we have exercised over controversial issues that have plagued the agency for decades leave us stronger and better positioned to address future challenges.

The opportunities for job creation and new stewardship industries are immense. Maintaining our existing roads, facilities, and recreation infrastructure, reducing fire risk, and restoring our watersheds could lead to thousands of high paying private sector jobs, that emphasize ecosystem restoration and forest stewardship.

Our efforts also provide the foundation to continue to engage the American people in how they want their national forests and grasslands managed in the long-term. To be successful in the future, the agency will need to find innovative ways to listen to the public, build cooperative relationships, and have adaptive processes that will allow us to continue to develop and implement a shared vision for ecologically sustainable forests and grasslands.

Madam Chairman, this concludes my statement. I would be happy to answer any questions you and Members of the Subcommittee may have.