

**STATEMENT OF SCOTT CAMERON, PRINCIPAL DEPUTY ASSISTANT SECRETARY FOR POLICY,
MANAGEMENT, AND BUDGET FOR THE DEPARTMENT OF THE INTERIOR BEFORE THE
HOUSE NATURAL RESOURCES COMMITTEE
ON THE PRESIDENT'S 2020 BUDGET REQUEST
MARCH 27, 2019**

Chairman Grijalva, Ranking Member Bishop, and Members of the Committee, I am pleased to appear before you today to discuss the President's 2020 Budget Request for the Department of the Interior. Interior's 2020 budget totals \$12.6 billion. The 2020 request reflects the Administration's strong support for Interior's important missions and is \$926.2 million above the President's 2019 request for Interior. In fiscal year 2020 Interior will have access to additional funding in the event of a severe wildland fire season, through disaster cap authority.

2020 BUDGET PRIORITIES

Interior's 2020 budget reflects the Administration's commitment to strike the right balance of protection and sustainable use of resources in a way that provides proper conservation stewardship of our land and resources, enhances the safety of our communities, increases energy security, and allows America to prosper. Our budget invests to grow jobs and prosperity, promote safe and secure communities, strengthen America's energy security, meet Interior's Trust responsibilities, and continue to reorganize the Department of the Interior.

At the same time, this budget meets the Administration's broader economic objective to manage Federal spending with restraint. The request prioritizes delivery of Interior's core operating missions – the things the American public relies on us to do. We've focused our resources to take care of the assets we have, expand public access to our lands, and invest where Interior can make a significant contribution to national objectives.

Complementing our funding request, the President's 2020 budget request features two significant legislative proposals to address wildfire risk through forest management reforms, and to rebuild America's public lands infrastructure.

PROMOTING JOBS AND ECONOMIC GROWTH

The Trump Administration is committed to economic growth and prosperity. Our 2020 budget supports working lands, good-paying American jobs, common sense regulatory reform, expanded opportunities for the outdoor recreation economy, and increased revenue to States, Tribes, and local communities. Interior balances access for Americans to enjoy their public lands, managing these special places and natural resources for generations to come and the development needed to serve the public and fuel local economies.

Of Interior's \$12.6 billion 2020 budget request, \$4.9 billion supports the land management activities of the Bureau of Land Management (BLM), the National Park Service (NPS), and the Fish and Wildlife Service (FWS). These operating funds support the primary activities to meet the unique resource mission of each bureau. This funding supports resource development, day-

to-day operations, and conservation stewardship activities for Interior's great places; and fulfills the Department's Federal wildlife responsibilities.

America's Federal lands and waters contain tremendous job-creating assets, supporting more than 1.8 million jobs in energy, recreation, grazing, conservation, and hospitality. Dedicated stewardship of these resources and partnerships with communities bordering the public lands drive job opportunities and economic growth.

Interior's resource management programs directly support important jobs across America. The budget invests \$92.0 million in the BLM Rangeland Management program, which supports western ranching families, by managing nearly 18,000 livestock grazing permits and leases on the public lands. The BLM public domain forestry and Oregon and California grant lands programs support jobs and local economies through timber and timber product sales. The 2020 budget includes \$107.2 million for these programs to support timber sales and forest management projects. Consistent with the targets established under Executive Order 13855, the request supports an estimated 280 million board feet in timber sales in 2021, continuing annual increases from the 2018 production level of 226 million board feet.

The 2020 budget includes \$12.3 million for BLM's Other Mineral Resources Management program which manages development of leasable minerals. Funding in 2020 will be used to streamline program activities, expedite processing of applications, and facilitate more timely inspection and enforcement actions.

The U.S. Geological Survey's (USGS) mineral resources program works to understand the fundamental science and identify supplies of mineral resources to support land use decisions across the United States. This program directly supports the Administration's efforts to strengthen America's energy and critical minerals security as outlined in Executive Order 13817. The program is working to identify domestic supplies of 35 critical minerals needed for manufacturing and technology innovation. The 2020 budget for the USGS includes \$30.3 million for critical minerals work. This investment will provide the advanced topographic, geologic, and geophysical data needed to locate U.S. critical mineral resources to inform management of private-sector domestic development, reduce dependence on foreign sources, and support job creation and technological innovation.

To increase U.S. economic strength, the Administration has challenged Federal agencies to reduce the regulatory burden on Americans. We are working to ensure our regulations reflect advances in science and technology and foster innovation and economic growth. We have also established standard parameters to reduce page length and review times, internal processes, and applied project management practices to improve Interior's National Environmental Policy Act review and clearance activities. As part of this effort, we are also working to revise outdated processes and leverage technology to deliver better service. The 2020 budget invests in improvements to make it easier to do business with Interior, including more timely processing of coal, oil and gas, grazing management, communications infrastructure, and surface mining reclamation plan reviews.

Our efforts to improve Interior's review and permitting activities directly contribute to a stronger infrastructure in the United States. Interior reviews and approves permits for Federal and private sector uses of Interior lands, including energy and minerals development, pipelines, and transmission infrastructure. The 2020 budget requests \$107.5 million for planning and consultation, which includes support for the FWS to perform reviews required under Section 7 of the Endangered Species Act and thereby avoid unnecessary delays in Federal infrastructure projects.

Investment in Interior's infrastructure also benefits local economies. Interior's infrastructure crisscrosses the country in roughly 2,400 locations. In many communities our operations are a major economic driver. Interior owns approximately 43,000 buildings, 106,000 miles of road, and 77,000 structures—including dams, schools, laboratories, employee housing, and irrigation and power infrastructure. Many of these assets are deteriorating. In 2018, Interior's deferred maintenance backlog was over \$18 billion, of which nearly \$12 billion is associated with NPS assets. The 2020 budget invests \$1.5 billion across Interior for infrastructure maintenance and construction to care for our assets. This includes \$639.8 million for NPS construction and maintenance. Complementing the request is proposed legislation to establish a Public Lands Infrastructure Fund, setting aside up to \$1.3 billion a year, \$6.5 billion over 5 years, from 50 percent of energy development revenue that would otherwise be credited or deposited as miscellaneous receipts to the Treasury. Within Interior, the Fund would be available for infrastructure needs in NPS, FWS, the Bureau of Indian Education (BIE), and BLM.

According to the U.S. Commerce Department, in 2016, America's outdoor economy accounted for \$412 billion of the U.S. GDP. Interior plays a major role in supporting America's outdoor economy through access to our public lands. Every year, hundreds of millions of visits are made to our national parks, national wildlife refuges, and BLM public lands to do everything from rock climb, kayak and camp to snorkel, hunt, and fish. Recreation visits to BLM and NPS lands alone support more than 350,000 jobs.

Increasing recreational opportunities for more Americans through our public lands and waters also brings more economic opportunity for our neighboring gateway communities. Increased public access to America's lands is among our highest priorities. The budget for our primary land management bureaus includes roughly \$970.9 million for recreation and public access programs to increase the public's enjoyment of Interior's unique resources. In FWS, this request supports safe and reliable access to outdoor recreation for over 55 million visitors to the national wildlife refuges. The refuge system has more than 377 units that offer high-quality hunting opportunities and 312 units that are open to fishing. These activities, along with special events and outdoor education programs, annually generate \$2.4 billion in economic activity and support more than 35,000 jobs. The 2020 budget includes \$9.1 million for FWS to improve trails, open new areas to hunting, fishing and other recreation, increase awareness through updated web sites and recreation maps, and deliver engaging environmental education programs at the refuges.

In 2018, the 418 units of the national park system hosted over 318 million visitors. The 2020 request for NPS includes \$237.1 million for Visitor Services to support informative programming, concession management, and other activities to enhance the visitor experience. The budget invests \$10.0 million to expand outdoor recreation opportunities including fishing

programs for youth and other novice anglers, improve recreational related infrastructure and resources, and coordinate with State, local, business, and nonprofit stakeholders to increase access to outdoor recreation.

Responsible stewardship also means being a good neighbor. The 2020 budget maintains the Administration's continuing support for the Payments in Lieu of Taxes program, recognizing the inability of local communities to collect property taxes on certain Federal lands in their jurisdiction. In 2018, Interior made payments to over 1,900 local governments across the United States. Communities traditionally use these payments to help deliver vital services such as firefighting and police protection, construction of public schools and roads, and search-and-rescue operations. The 2020 budget includes \$465.0 million in direct appropriations to support these payments.

COLLABORATIVE CONSERVATION OF WILDLIFE, HABITAT AND CULTURAL RESOURCES

Conservation stewardship is a key component of Interior's overall mission and is shared across all bureaus. Whether implementing resource conservation projects, providing grants, scientific expertise, or educational programs to support land, water, and wildlife conservation, Interior is a leader in protecting and managing America's resources for current and future generations to enjoy. The Department's conservation efforts would not be possible without our partners across America.

Our partners include the sportsmen and sportswomen who live America's conservation ethic. They volunteer and frequently provide private and partnership resources to care for wildlife habitat, species management, and collaborative conservation. Through the Pittman-Robertson and Dingell-Johnson Act programs, sportsmen and sportswomen contribute over a billion dollars each year to wildlife and habitat conservation and outdoor recreation projects. Every time a firearm, fishing rod, hook, bullet, motor boat or boat fuel is sold, part of that cost goes to fund conservation.

Increased access to hunting and fishing on public lands not only supports the outdoor economy but it actively supports conservation of these lands. Sportsmen and sportswomen also help to leverage roughly two to one the Federal contribution for Interior's North American Wetlands Conservation Act Grants. The 2020 budget includes \$40 million for these grants, which support projects to improve the health of wetlands, support migratory birds, and enhance nearby water quality. The 2020 budget also includes \$31.3 million for State and Tribal Wildlife Grants supporting State and Tribal projects to benefit local wildlife and their habitats through planning and restoration.

The 2020 budget prioritizes partnerships, species recovery, and proactive wildlife and habitat conservation to avoid species from becoming endangered. The budget includes \$95.0 million to recover listed species, and \$26.4 million for a range of proactive species and habitat specific conservation and restoration programs to avoid the need to list species. The \$67.8 million request for FWS Habitat Conservation features \$54.4 million for the Partners for Fish and Wildlife Program, which leverages the Federal investment for conservation projects with local non-Federal partners all across the country.

BLM's multiple use mission enables work, such as grazing, to continue on the public lands, but also ensures conservation of many species and their habitats – safeguarding the Nation's public lands as well as peoples' livelihoods. BLM manages more wildlife habitat acreage than any other Federal agency—supporting conservation efforts for 3,000 species and preserving and restoring essential habitat for 430 threatened or endangered species. The 2020 BLM budget includes \$118.4 million for Wildlife and Habitat Management. Management activities benefit native prairie, wildlife, and livestock, and help stabilize soils, maintain and improve water quality, reduce surface runoff and control flooding, improve ecological site conditions, and enhance overall environmental well-being.

Habitat corridors are a feature of many of the vast tracts of land managed by BLM and are crucial for migrating wildlife. The Department is working with States to research and protect the migration corridors of some of North America's most iconic big-game species by protecting the range of moose, mule deer, elk, pronghorn antelope, bighorn sheep, and other species who share the ecosystem benefit. The 2020 budget invests \$18.4 million across Interior to continue to support and expand migration corridor partnerships and conservation opportunities.

America relies on the NPS to protect and maintain the natural beauty of the parks' iconic landscapes as well as the artifacts and structures which help tell America's history. The \$2.4 billion request for national park operations includes \$321.6 million for natural and cultural resource stewardship across the parks. The FWS mission focuses on the conservation, protection, and enhancement of wildlife and their habitats. The 2020 FWS budget includes \$234.4 million for Wildlife and Habitat Management in the national refuge system.

USGS provides science, consistent monitoring, observation and mapping to support the Department's conservation mission. USGS research provides insight into changes in the natural world – our water, lands, geology, wildlife – and how they may affect our communities. The 2020 budget includes \$141.0 million for scientific work related to ecosystems, supporting investigations related to specific ecosystems, such as Florida's Everglades; or biological threats to species, including White Nose Syndrome in bats.

Water is vitally important to the health and well-being of Americans and our lands and wildlife. The USGS works with partners to manage water monitoring networks across the country which are relied upon by land managers, industry, and communities concerned about the availability of water or risk of flooding. USGS also addresses water quality issues, such as the prevalence of harmful algal blooms, which pose risks to natural resources reliant on water but also people. The 2020 budget includes \$179.9 million for USGS Water Resources programs to monitor, understand, and inform water challenges for the benefit of land and wildlife conservation, and communities across the country.

ACTIVE MANAGEMENT FOR HEALTHY FORESTS

Dense undergrowth has amassed on Federal lands, providing fuel for catastrophic wildfires and worsening insect infestation, and spread of invasive species and disease. These conditions are harming the Nation's forests, rangelands, and watersheds, and placing people, their homes, and

their communities at risk. These conditions also make it more dangerous for wildland firefighters to fight the fires. Active fuels management is a necessary and important tool to combat these threats, save lives, and protect property.

In tandem with the budget, the Administration proposes a package of forest management legislative reforms to help address this serious risk. By providing the Department with the tools necessary to expedite timber salvage operations in response to wildfires, insect and disease infestations, and other disturbances, the Department can more effectively reduce the risk of wildfire, utilize forest materials damaged as a result of those events, and better allocate resources to support restoration activities. Interior's 2020 budget includes \$194.0 million in Wildland Fire Management to support aggressive fuels reduction work and pre-suppression activities to help mitigate the incidence of catastrophic wildfires. The budget also includes \$161.8 million for timber management programs in the BLM and the Bureau of Indian Affairs (BIA), to prioritize planning and preparation activities affecting timber sales volumes and forest health. In addition, the BLM budget includes \$92.0 million to support healthy rangelands through weed reduction, vegetation treatments, and permitted grazing operations. The NPS budget includes \$4.0 million specifically to improve active forest and vegetation management in the national parks.

Complementing this initiative, Interior continues to work closely with partners to improve the sage-steppe working landscapes of the West which are vitally impacted by wildland fires. The 2020 budget includes \$55.5 million to implement sage-grouse management plans and continue cooperation with Western States on greater sage-grouse conservation. This funding will be used to remove conifers, create fire breaks, remove fire-prone invasive plants, and protect and restore habitat for all sagebrush dependent wildlife. At the end of 2018, nearly 1.5 million acres had been treated. The 2020 budget also includes \$75.7 million to continue management of Wild Horses and Burros on America's rangelands.

More active forest management like expedited timber salvage can reduce the risk to firefighters and revegetation crews, speeding the recovery of lands. The expedited recovery of wood products also provides an economic benefit. In turn, the fire risk to people, communities, recreation facilities, and infrastructure is reduced.

SAFE AND SECURE COMMUNITIES

The Department of the Interior is the proud home of 4,000 federal law enforcement officers with duties as varied as the bureaus' missions. Interior has highly specialized units in three major cities, drug enforcement teams in Indian Country, urban search-and-rescue units that provide hurricane response, and backcountry units that operate in the wilderness for days at a time. The 2020 budget includes a total of \$930.3 million for law enforcement programs, continues successful border enforcement and drug enforcement programs, and supports a new initiative to address the epidemic of violence and missing persons in Indian Country.

Interior's law enforcement officers help to secure Interior lands on the southern border. Over 12.5 million acres under Interior jurisdiction are within 50 miles of the United States-Mexico border. More than 655 miles of land along the border are managed by Interior's bureaus. Interior works closely with the Department of Homeland Security to increase security on the

southwest border, including 75 border miles on Tribal lands, primarily managed by the Tohono O'odham Nation in Arizona. Currently, about 300 miles, or less than half, of Interior's border lands have a vehicle barrier, pedestrian fence, or wall.

Fulfilling the President's commitment to end the opioid crisis in America is another top priority of the Department. This budget includes \$10.0 million including an increase of \$2.5 million, to continue support for the fight against opioids in Indian Country. BIA drug enforcement agents are part of the Federal Opioid Reduction Task Force addressing the increase in drug-related activities through interdiction programs to reduce drug use, distribution, and drug-related crime to help communities in Indian Country battle the opioid crisis. In the first year of operation, the Task Force conducted 8 undercover operations leading to more than 180 arrests and seizure of more than 1,000 pounds of narcotics worth more than \$9.0 million that were intended for sale in Indian Country.

Interior's wildland fire suppression operations are part of a vitally important partnership across all levels of government to fight wildfires on public lands and minimize risk to nearby communities. In fiscal year 2018, Interior spent more than \$528 million on wildfire suppression efforts alone. The 2020 budget includes \$383.7 million for wildfire suppression, pursuant to the requirements under the Consolidated Appropriations Act, 2018. Consistent with the Act, 2020 is the first year resources are also available through a wildfire budget cap adjustment to meet U.S. Forest Service and Department of the Interior fire suppression needs. The 2020 budget assumes a preliminary split of \$300 million of the authorized cap adjustment resources for Interior requirements, with the remainder allocated to the U.S. Forest Service. The Administration will reallocate resources between agencies as necessary to meet actual wildfire suppression needs.

Employees from across Interior also serve as part of Federal emergency response efforts. In the event of a natural disaster, our employees work to protect and rebuild Interior's assets, but are also part of the community working to help recovery. USGS scientists play an important role preparing for and addressing the aftermath of natural hazard events. USGS provides important scientific and monitoring information to emergency responders, policy makers, and the public to reduce the risk of losses from a wide range of natural hazards, including earthquakes, floods, hurricanes, landslides, tsunamis, volcanic eruptions, wildfires, geomagnetic storms, and drought. The 2020 budget includes \$145.0 million for the USGS Natural Hazards programs. This funding maintains important nationwide monitoring networks that are vitally important to emergency managers.

AN ERA OF ENERGY PROSPERITY

By advancing policies that embrace domestic energy development, the Trump Administration is putting America on a path towards greater energy security and prosperity. Under the Trump Administration, crude oil and natural gas production has hit all-time highs, U.S. net energy imports have fallen to their lowest levels since 1982, with the U.S. becoming a net exporter of natural gas in 2017 and expected to become a net exporter of energy overall, including petroleum and other liquids, by 2020.

Interior manages a good portion of the natural resources on America's public lands and waters, including oil, gas, coal, hydropower, minerals and renewable energy sources. The Department plays a critical role in the Nation's future energy security and our overall economic well-being. Altogether, Interior's energy and mineral portfolio contributed an economic output of over \$150 billion and supported an estimated 740,000 jobs nationwide. The same year, Interior shattered prior records in onshore oil and gas and offshore wind energy lease sales, and disbursed \$8.9 billion in revenues to States, Tribes, local communities, and the U.S. Treasury, an increase of \$1.8 billion from 2017.

The 2020 budget requests \$777.0 million in discretionary resources for energy-related programs across the Department. Together with permit fees and other mandatory funding, Interior's 2020 energy programs total \$830.1 million. A large portion of these energy development activities occur on the Outer Continental Shelf. The 2020 request includes a total of \$393.9 million to support responsible exploration and development of America's offshore energy resources, which remains a pillar of the Administration's energy strategy. Within this request is \$193.4 million for the Bureau of Ocean Energy Management's (BOEM) oil, gas, and renewable energy leasing and exploration activities. The 2020 budget continues to support preparation of the Nation's next 5-year Outer Continental Shelf Oil and Gas Leasing program. Interior is analyzing more than 2 million submitted public comments in response to the 2019–2024 National OCS Oil and Gas Leasing Draft Proposed Program and will use this information to prepare a Proposed Leasing Program.

The continued efforts of the Bureau of Safety and Environmental Enforcement (BSEE) are integral to a strong offshore energy program. The budget includes \$200.5 million for BSEE's work to ensure safe and environmentally sustainable energy exploration and production. BSEE is committed to the continual advancement of the effectiveness of its inspection program, enhancing its permitting processes around greater quality assurance and consistency, reforming overly burdensome regulations, ensuring high levels of preparedness in the event of oil spills, and expanding the renewables program.

The 2020 budget includes \$190.4 million in current and permanent funding for BLM's onshore oil and gas activities, of which \$137.3 million is requested in direct appropriations. Funding will expand areas available for leasing, expedite permitting, and improve program management. The 2020 budget advances activities in Alaska and New Mexico, and continues work to streamline leasing processes and speed the review of Applications for Permits to Drill. Interior has already reduced wait times for these permits by 57 days (from 120 days to 63 days). The budget will also help to expedite the processing of rights-of-way permits needed to move energy to consumers.

The 2020 BLM budget includes \$29.1 million for renewable energy activities. This funding will support the review and siting of geothermal resources, wind and solar energy projects on public lands, and rights-of-way applications to connect these projects to transmission lines. The 2020 budget includes \$19.8 million for the BLM coal management program focused on reducing permit processing times, simplifying the lease application process, and improving the timeliness to complete lease sale fair market value determinations. BLM's Federal coal leasing program supplies more than 40 percent of the coal produced in the United States.

The 2020 budget for BIA includes \$25.5 million for energy and mineral development programs in Tribal communities. Income from energy and mineral production is the largest source of revenue from natural resources on trust lands. In 2018, more than \$1 billion in revenue from oil, gas and mineral activities was disbursed to Tribes and individual Indian mineral rights owners. Tribes use this revenue to develop infrastructure, provide healthcare and education, and support other critical community development programs.

An important component of Interior's natural resource programs is the collection and disbursement of billions of dollars in receipts from development. The 2020 budget includes \$147.3 million for the Office of Natural Resources Revenue (ONRR) to ensure Americans receive an accurate return for their public resources. In 2020, ONRR will continue to implement a critical new Minerals Revenue Management Support System to update and improve management and accountability of Interior's significant revenue collections.

FULFILLING OUR TRUST AND INSULAR RESPONSIBILITIES

The Department of the Interior is responsible for fostering the government-to-government relationship with Indian Tribes and Alaska Native Villages and overseeing relations with U.S. territories and insular areas.

The United States has an important relationship with the affiliated insular areas including the territories of American Samoa, Guam, the U.S. Virgin Islands, and the Commonwealth of the Northern Mariana Islands. With China's escalating influence in the Pacific region, Interior's insular responsibilities and obligations contribute meaningfully to broader Administration policy objectives in the region. In 2020, the Office of Insular Affairs will implement activities to bolster healthcare capacity, strengthen island economies, and fulfill U.S. Compact obligations. The Office will also participate in foreign policy and defense matters concerning the U.S. territories and the freely associated states. The 2020 budget includes a total of \$610.7 million in current and permanent authority, with \$84.1 million in current appropriations.

Interior provides services directly, or through contracts, grants, or compacts, to 573 federally recognized Tribes with a combined service population of nearly 2 million American Indians and Alaska Natives. The Department is committed to Tribal prosperity and working together with Tribes to address challenges in economic development, education, and law enforcement. Interior supports Indian self-determination to ensure Tribes have a strong voice in shaping Federal policies directly impacting their ability to govern and provide for the safety, education, and economic security of their citizens. Interior's Tribal programs deliver community services, restore Tribal homelands, fulfill commitments related to water and other resource rights, execute fiduciary trust responsibilities, support the stewardship of energy and other natural resources, create economic opportunity, and provide access to education.

The 2020 budget for Indian Affairs prioritizes programs that serve the broadest service population and addresses Federal responsibilities and Tribal needs related to education, social services, infrastructure, law enforcement, and stewardship of land, water, and other natural resources. The 2020 budget includes \$1.9 billion for BIA, and \$936.3 million for BIE. Within

this is \$367.4 million to fully fund the estimated Contract and Tribal Grant Support Costs Tribes incur from managing Federal Indian programs.

The 2020 budget takes action to improve the quality and efficiency of the BIE schools. In 2020, for the first time, we request funding for BIA and BIE separately, as part of an effort to improve overall transparency, accountability, and autonomy for the effective delivery of BIE school services. This step is consistent with direction from Congress and GAO recommendations, urging the Department to consolidate all responsibilities related to Indian education under BIE. The changes in the 2020 budget respond to your direction and other longstanding criticism that the lines of authority for BIE services were not clear, it was too difficult to determine who had final accountability for delivering services, and BIE did not have sufficient independence to ensure school needs were met.

The 2020 budget is the result of a detailed review within Indian Affairs, looking at the services provided to the BIE schools and the different roles of BIA, the Office of the Assistant Secretary for Indian Affairs, and BIE. The review considered where it made sense to decouple overlapping functions and where it made sense to continue cross-servicing to BIE with clearer agreements in place. The 2020 request reflects this review and strengthens BIE's ability to deliver materials and services, carry out needed health and safety inspections, and ensure repairs are made. The BIE budget includes \$867.4 million to continue core Indian education elementary, secondary and post-secondary programs. It also includes \$68.9 million to support facility construction, repairs, deferred maintenance, and capital improvements.

The 2020 BIA budget requests \$1.5 billion for Operation of Indian Programs. This includes \$409.2 million for the Public Safety and Justice programs providing law enforcement, corrections, and court services to Indian communities. The 2020 budget also includes \$326.0 million for Tribal Government programs with \$178.9 million for Self Governance Compacts.

The 2020 BIA budget includes \$184.1 million for Natural Resources Management supporting resource conservation, economic use, recreation, and protection of Tribal resource rights. Within this amount is \$54.8 million for Tribal forestry programs which complement of the Administration's forest management legislative reforms. The budget also includes \$11.2 million for the Tribal Management/Development Program which supports Tribal management of fish and game programs on Indian reservations. These programs ensure the protection of millions of acres of habitat necessary for the conservation of fish, wildlife, and plant resources and significantly contribute to the economic development of Tribal communities and the growing national demand for outdoor recreation and tourism.

The budget maintains a strong commitment to meet Tribal settlement agreements and includes \$45.6 million for BIA Water Rights Settlements. At this funding level, BIA remains on track to meet current water settlement commitments within the legislated timeframes. Across Interior, the budget includes \$178.6 million for Indian Settlement commitments.

GOVERNMENT REFORM

President Trump challenged Federal agencies to modernize and reform the Executive Branch and Interior is leading the way to better serve the American people. The absolute first step is fostering a culture of ethics and respect amongst colleagues. There is zero tolerance for any type of workplace harassment at Interior. The Department is instilling a culture change through clear management accountability, swift personnel actions, reporting procedures for harassment conduct, improved training, and substantive action plans. In the area of anti-harassment efforts, each bureau and office has made significant headway to put a diverse set of measures in place to prevent and address unacceptable conduct.

We have also launched an internal Workplace Culture Transformation Advisory Council across the Department to keep a focus on Interior's workplace environment. The Council will look at common issues raised in the Federal Employee Viewpoint Survey, ways to improve employee engagement, and building career paths that cross bureau silos; all with the goal to transform Interior's workplace culture for future generations.

Another management priority is creating a strong ethical culture to ensure Interior employees honor the public's trust to manage funds responsibly and avoid conflicts of interest. The expectations for appropriate employee conduct have been made clear, and the Department has set goals and expectations for qualified ethics officials sufficient to ensure our operations are conducted ethically.

Over many decades, the Department of the Interior experienced new bureaus becoming established on an ad hoc basis with their own unique regional organizations. This ultimately resulted in a complicated series of 49 regional boundaries among 8 bureaus. This complexity led to the situation where bureau regional leadership was focused on different geographic areas, did not have adequate and shared understanding of the needs and perspectives of regional stakeholders, and opportunities to share administrative capacity across bureaus were difficult to recognize and implement. Members of the public were often frustrated by problems in inter-bureau decision making where uncoordinated timelines and processes could lead to unnecessarily long delays in reaching a decision. In 2018, Interior began a reorganization effort focused on making improvements across each of these areas.

Interior's reorganization is driven by the need to improve our delivery of service to the public. The Department developed a reorganization strategy that relies on unified regions across Interior, moves some staff west to be closer to the resources and customers they support, improves coordination and collaboration among Interior's bureaus, and reviews standard administrative processes across Interior to find smarter ways to conduct business operations.

Last year, Interior took the first step in the reorganization. After working closely with stakeholders across the country on options to consolidate Interior's 49 different regions into common regions, Interior adopted 12 unified regions for a subset of the bureaus. As a result of Tribal consultation, BIA, BIE, and the Office of the Special Trustee for American Indians will not realign their regional field structure.

The unified regions will simplify how Interior is organized. Establishing unified regional boundaries across bureaus is the cornerstone of reforms to improve Interior’s service delivery to the public. Within each shared region, bureaus will focus work on the same resources and constituents and improve coordination across the Department. For the public, fewer regions will make it easier to do business with Interior, particularly when the public interacts with several bureaus or jurisdictions. For Interior’s business, the move will strengthen inter-bureau coordination and understanding, joint problem-solving, and mutual assistance.

Bureaus and offices have begun to work across organizational lines to identify ways to maximize the benefits of the new regions. In 2019, we are analyzing options to relocate more operations out West, where the preponderance of bureau assets and acres are located, to better serve our customers. As part of the planning, we are considering relative cost, accessibility, and the specific functions where it makes sense to be closer to field assets. We are also reexamining some of the Department’s common business operations to leverage consistent best practices across Interior. In 2020, the budget requests \$27.6 million to continue implementing the reorganization with three areas of focus: Implementation of the Unified Regions (\$12.1 million), Relocation and Regional Stand Up (\$10.5 million), and Modernizing Interior’s Business (\$5.0 million).

LEGISLATIVE PROPOSALS

Forest Health—The Administration proposes a comprehensive package of legislative reforms to proactively reduce the risk of wildfires through better management of Federal forests and rangelands. The proposed legislation would provide categorical exclusions on Interior lands for active forest management, including the ability to harvest dead, dying, or damaged trees and proactive fuels management including the use of fuel breaks. These changes are much needed to help reduce fire risk, improve forest health, minimize after fire impacts, prevent re-burn of fire impacted areas, and improve safety for wildland firefighters.

Public Lands Infrastructure Fund—The budget proposes \$6.5 billion over 5 years for a Public Lands Infrastructure Fund to address deferred maintenance needs in the Departments of Interior and Agriculture. Within Interior, the Fund will support infrastructure improvements through an allocation of 70 percent for national parks, 10 percent for national forests, 10 percent for wildlife refuges, 5 percent for BIE schools, and 5 percent for lands managed by the BLM. The Fund will be supported by the deposit of 50 percent of all Federal energy development revenue that would otherwise be credited or deposited as miscellaneous receipts to the Treasury over the 2020–2024 period, subject to an annual limit of \$1.3 billion. Interior and Agriculture would prioritize projects, monitor implementation, and measure results.

Recreation Fee Program—The budget proposes to reauthorize the Federal Lands Recreation Enhancement Act, which expires in September 2020. As a precaution, the budget also proposes appropriations language to provide a 2-year extension of FLREA through September 2022.

Cancel Southern Nevada Public Land Management Act Account Balances—The budget proposes to cancel \$230.0 million in unobligated balances from the Southern Nevada Public Land Management Act (SNPLMA) program over a 3-year period.

EPAct Geothermal Payments to Counties—The budget proposes to restore the disposition of Federal geothermal leasing revenues to the historical formula of 50 percent to the States and 50 percent to the U.S. Treasury by repealing Section 224(b) of the Energy Policy Act of 2005. That section changed the distribution to direct 50 percent to States, 25 percent to counties, and 25 percent to the Federal government.

CONCLUSION

Thank you for the opportunity to testify on the President's 2020 Budget Request for the Department of the Interior.

In closing, this is a responsible budget that prioritizes core functions important to the American people. This budget invests in American jobs and prosperity by supporting working lands, implementing regulatory reform, expanding access to grow the outdoor economy, and rebuilding infrastructure. Complementing this funding request is legislation to provide up to \$6.5 billion over 5 years to address the deferred maintenance backlog on our public lands.

This budget advances collaborative conservation with investments in the America's natural and cultural resources, support for conservation stewardship partnerships, a focus on species recovery and proactive conservation activities to avoid the need for listing, and reforms to improve the health of our forest and rangelands and reduce risk from severe wildfires.

The 2020 budget supports safe and secure communities by helping to reduce wildfire risk, fight illegal drugs, and secure the southern border. The budget sustains America's era of energy prosperity, maintaining a diverse portfolio of energy sources, ensuring safe development, and keeping the U.S. on course to become a net exporter of energy in 2020.

This budget meets the Nation's trust responsibilities to insular areas and Indian Country and takes action to address a longstanding need to improve the quality of service to students attending BIE schools.

Lastly, this budget invests in Interior's longevity and the continued success of our mission by implementing reorganization reforms.

I look forward to working with you to support the President's 2020 budget request. I am happy to take your questions at this time.