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BEFORE THE
SENATE ENERGY AND NATURAL RESOURCES COMMITTEE
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Chairman Murkowski, Ranking Member Cantwell and Members of the Committee, thank you for the opportunity to appear before you today to discuss reauthorization of the Land and Water Conservation Fund. I appreciate the opportunity to discuss this innovative, highly successful program.

Fifty years ago, Congress enacted the Land and Water Conservation Fund Act of 1965 as a bipartisan commitment to safeguard natural areas, water resources, and cultural heritage, and to provide recreation opportunities for all Americans, now and in the future. The Act established a fund in the U.S. Treasury dedicated to preserving, developing and assuring accessibility to outdoor recreation resources and to strengthening the health and vitality of U.S. citizens by using a portion of the proceeds from the development of our public lands and waters for investments in conservation and recreation.

By reinvesting revenues from offshore oil and gas activities into public lands, the LWCF has proven to be one of the nation's most effective tools for preserving treasured landscapes; expanding historic, cultural and outdoor recreation sites; protecting rivers, lakes and other water resources; enabling access for sportsmen and hunters; and providing grants to states for recreation and conservation projects. Simply put, the LWCF has greatly contributed to the quality of life of our citizens.

Furthermore, the LWCF generates economic activity throughout the nation. In 2012, recreation activities on federally-managed lands and waters contributed approximately \$51 billion and 880,000 jobs to the U.S. economy.

To date, the LWCF has provided over \$4 billion to state and local governments for these purposes and over 40,000 projects have been funded in every state throughout the nation. These projects support local recreation and conservation and impact the lives of people in our communities every day. And federal land acquisition from the LWCF has protected lands in national parks, forests, refuges and public lands in areas too numerous to list, from Cuyahoga Valley National Park in Ohio to Big Cypress National Preserve in Florida; from Harpers Ferry National Historical Park in West Virginia to Mount Rainier National Park in Washington; and from Valle de Oro National Wildlife Refuge in New Mexico to Gates of the Arctic National Park and Preserve in Alaska.

The Administration strongly supports the reauthorization of the LWCF, which, without action from Congress, will expire on September 30, 2015. In President Obama's FY 2016 Budget request, he proposed to fully and permanently fund the LWCF program at its authorized level of

\$900 million. This funding level would support 173 projects across four land management agencies in 43 states as well as provide assistance to states and local governments for close to home recreational opportunities.

With respect to reforms to the LWCF, the Administration believes that mandatory funding is a key component of the LWCF program. The unpredictable nature of discretionary funding has limited the ability of agencies and partners to engage in the multi-year planning that is necessary for effective collaboration with local communities, for large-scale conservation projects, and to provide for recreational and sportsmen access. We look forward to working with Congress to expeditiously reauthorize this program for another fifty years before it expires on September 30, 2015.

A summary of the LWCF program, the role of the Department of the Interior and a discussion of the Administration's budget request follows.

The Land and Water Conservation Fund

The LWCF Act provides that each fiscal year until September 30, 2015, not less than \$900 million must be deposited into the LWCF. These funds consist of certain revenues from offshore oil and gas activities, along with proceeds from the sale of surplus real and personal property and motorboat fuel taxes.

Although set aside in a discrete fund, these moneys are currently only available for expenditure through annual appropriations. Each year, in accordance with the Act, the Administration submits to Congress, along with the budget, a comprehensive statement of estimated requirements for appropriations from the LWCF. Congress then appropriates moneys from the LWCF for assistance to the states and for federal acquisition of lands and waters.

In making its budget request, and in implementing the provisions of the Act, the Departments of the Interior and Agriculture work in cooperation with local communities to identify and maximize opportunities to secure rights-of-ways, easements, and fee simple lands from willing sellers that are important to the local community. The Administration supports broad collaboration around locally driven priorities and more efficient and coordinated ways of investing in, restoring, and managing the Nation's natural and cultural resources.

LWCF State Assistance Program

Once moneys are appropriated from the LWCF, the Act authorizes the Secretary of the Interior to provide financial assistance to the 50 states, the District of Columbia, American Samoa, Guam, the Northern Mariana Islands, Puerto Rico and the Virgin Islands for the acquisition and development of public outdoor recreation sites and facilities. The Secretary, through the LWCF State Assistance Program, apportions the grant funds among these states and areas in accordance with the apportionment formula contained in the Act. This formula includes a factor for equal distribution of a portion of the fund among the states, as well as factors for distribution on the basis of population and need. These grants are provided to the states, and through the states to

local governmental jurisdictions, on a matching basis for up to fifty percent of the total project costs. Grants to the insular areas may be for 100% assistance.

The National Park Service currently administers the LWCF State Assistance program. The Act provides that to be eligible to receive the funds, states must submit a comprehensive statewide outdoor recreation plan to the Secretary, and update it at least once every five years. This plan evaluates the public outdoor recreation resources throughout a state, identifies capital investment priorities, assures community participation, and coordinates outdoor recreation programs throughout the state. Specific LWCF projects proposed by a state are submitted to the Secretary for approval to ensure consistency with the plan. Any property that is acquired or developed with LWCF assistance must remain available for public outdoor recreation purposes. However, the Secretary does have the authority in certain circumstances to convert the property to another use.

The LWCF State Assistance program has a significant impact on the daily lives of people in our local communities and touches virtually all of America. State and local parks and projects that have received assistance from the LWCF are located in over 98 percent of counties in the United States. The LWCF State Assistance Program has, with the help of local communities, funded baseball fields, skate parks, and shooting ranges, it has funded access roads in state and municipal parks, it has helped construct playgrounds, ice rinks, boat ramps and equestrian parks, it has helped provide lighting for local baseball and soccer fields, funding for swimming pools, off road vehicle areas, and golf courses. It has funded projects as far away as Nuiqsut on the arctic slope, where funds were used to develop a softball field, which also doubles as the location for “nalukataaq,” the spring whaling celebration for the village of 400 people; to an urban Bronx neighborhood in New York where the funds were used to develop lighting at the Roberto Clemente baseball field.

These local recreation areas are the places we visit every day, the places where we go for a walk in the evening, the playgrounds where parents take their kids to run around between errands, and the fields used by the youth soccer club. Since the origin of the program in 1965, over \$4 billion has been apportioned to the states for these recreation purposes. The federal investment has been matched by state and local contributions for a total LWCF grant investment of over \$ 8.2 billion.

An additional \$66.2 million has been provided to states through competitive grant programs. These competitive programs include FWS Cooperative Endangered Species Conservation grants for states and territories to work with private landowners, conservation organizations and other partners to protect and conserve the habitat of threatened and endangered species, the American Battlefield Protection program grants, and the NPS Urban Parks and Recreation grants.

Forest Legacy Program

The Forest Legacy Program, administered by the U.S. Forest Service, provides grants funded by the LWCF to protect environmentally important forest lands while maintaining private ownership and working forests. More than 50 percent (over 420 million acres) of our nation’s forests are privately owned, and family forest owners and timber companies are facing increasing pressure to sell, subdivide, and develop their land. Through the Forest Legacy Program, the U.S.

Forest Service provides grants to state partners to protect these important lands with the focus on working forests. Forest Legacy helps landowners continue to provide forest products and resource based jobs, protects air and water quality, provides recreational opportunities and important fish and wildlife habitat including for threatened or endangered species. These lands are protected through conservation easements and fee-simple purchases with partners such as state agencies, private owners, and other conservation partners. To date over 2.47 million acres of important forestland has been protected under this program.

Federal Land Acquisition

The Act provides that moneys appropriated to the LWCF for federal purposes must be used by the President for acquisition of lands, waters and interests in lands and waters as specified in the Act for the national park and national forest systems, as well as for other federally managed public lands. It also authorizes acquisitions for the national wildlife refuge system, including acquisitions for endangered and threatened species.

This funding secures access for the American public to their federal lands for recreational opportunities—from hunting and fishing to canoeing and bird watching. When done strategically, these acquisitions of fee title or easement interests in lands strengthen national parks, national wildlife refuges, and other federally managed public lands, resulting in cost savings that can offset most, if not all, additional operational costs and provide economic benefits for local economies.

Federal land acquisition reduces land management costs. In the past five years, 99.25% of the lands acquired by the Department of the Interior were inholdings of existing conservation units. The acquisition of inholdings can reduce maintenance and manpower costs by reducing boundary conflicts, simplifying resource management activities, and easing access to and through public lands. This focus maximizes management efficiencies for the agencies and, in many cases, reduces costs.

For example, at San Diego National Wildlife Refuge in California, the purchase of inholdings through the LWCF reduced management costs while conserving wildlife habitat corridors. The Fish and Wildlife Service added six small, but important, inholdings to the refuge, which helped consolidate ownership in the heart of the refuge and protect areas of coastal sagebrush and chaparral that support a variety of rare plants and animals.

Similarly, in the FY 2016 budget, the Administration proposed LWCF for acquisitions at Alaska's Lake Clark National Park and Preserve that are expected to yield significant cost-savings from reduced firefighting costs over time. For firefighting purposes, native-allotment tracts such as those proposed for acquisition in Lake Clark National Park, are designated at the "full" protection level, meaning they are high priority for extensive fire suppression actions, and can incur significant costs to protect. NPS acquisition of these tracts would eliminate the requirement to commit this level of firefighting resources to suppress fires on these tracts, and would yield an estimated savings of \$60,000 per allotment during fire events.

Federal land acquisitions also provide economic benefits. For example, since 2001, the Bureau of Land Management has acquired approximately 2,700 acres within the Sandy River Area of Critical Environmental Concern. The Sandy River and the nearby Oregon National Historic Trail, offer exceptional recreational opportunities for fishing, hiking, wildlife viewing, nature study, and non-motorized boating and river floating. This area is 20 miles from Portland – the Northwest’s second largest metropolitan area – and receives approximately a half million visitors per year. This area is an important economic asset to the local community and supports many local businesses.

Federal land acquisition also protects history. This month, during her visit to the Appomattox Court House National Historical Park, Secretary Jewell visited the site of some of the final battles of the Civil War in Virginia. The LWCF was used to expand Appomattox Court House National Historical Park by 383 acres in the 1970s. More recently, the LWCF has been leveraged to enable the NPS to work in partnership with the Civil War Trust to preserve six additional properties associated with the battles of Appomattox Station and Appomattox Court House, totaling 108 acres at a value of nearly \$2.6 million. Those sites help protect the viewshed around the historic village where the McLean House — the site of surrender — stands. LWCF has been used to acquire land at other Civil War battlefields including Antietam in Maryland, Fredericksburg in Virginia, Chattanooga in Tennessee, Harpers Ferry in West Virginia, and Gettysburg in Pennsylvania.

Finally federal land acquisition supports local priorities. For example, Secretary Jewell recently toured the Chattahoochee River National Recreation Area in Georgia. This area was originally created with support from the LWCF in 1979 and has benefited over the years from additional LWCF funding to expand and further protect it. In addition to providing recreational facilities, hiking and biking trails, and conserving the river and watershed, the area has had an important economic impact on the local communities. Last year, visitors to Chattahoochee National Recreation Area spent over \$123 million and supported 1,723 jobs.

In the Prairie Pothole Region of North and South Dakota, the LWCF is helping preserve the ranching tradition, by supporting the rural economy and protecting important habitat for wildlife. To date, more than 5,000 landowners have partnered with the FWS to place land under perpetual easements, which preclude land conversion and the draining of potholes but permit the landowner to retain all other rights of use and access. This conserves the native prairie and wetlands, protecting important wildlife habitat while supporting the continued operation of the region’s traditional livestock and ranching enterprises.

And, at Leslie Canyon National Wildlife Refuge in Arizona, through a years-old public-private collaborative effort, the FWS partnered with the Bar Boot Ranch to place over 13,000 acres of working land under conservation easement at the refuge with funding support from the LWCF. The voluntary conservation easement limits subdivision and surface development on the ranch and permits watershed restoration activities, while continuing to allow traditional ranching uses. The easement will help ensure continued water supplies to sustain native fish, wildlife, and plants, including federally-listed threatened and endangered species, while also helping sustain the ranching business operation at Bar Boot Ranch.

The Department's FY 2016 Budget Request

As these examples demonstrate, the LWCF makes economic sense, it makes environmental sense, it makes fiscal sense and it makes sense for future generations. For these reasons, this Administration believes it is critically important to reauthorize this successful program.

In recognition of this important program, the President's FY 2016 budget request would fully fund the LWCF at \$900 million annually and would permanently authorize the LWCF. Beginning in 2017, funding for LWCF programs would be mandatory. Mandatory funding is critically important to increasing the financial certainty needed to build and enhance local and community conservation partnerships. It will also optimize valuable investments by leveraging other Federal and non-Federal funds, and, with predictability, it will enable efficiencies in managing LWCF programs and facilitate a more inclusive process.

The FY 2016 budget requests full funding, of which \$672.3 million is requested for the Department's programs. The request supports simpler, more efficient land management; creates greater access for hunters and anglers and other recreation opportunities; creates long-term cost savings; addresses urgent threats to some of America's most special places; and better supports state and local conservation priorities.

Some of the highlights for the funding requested for the Department's programs include:

- \$447 million (both discretionary and mandatory) for federal land acquisition, of which \$150 million is for acquisition of Collaborative Landscape Planning projects. These acquisitions address specific high-priority conservation values identified through collaboration conducted by the Department's land managing bureaus and the U.S. Forest Service;
- \$15 million (both discretionary and mandatory) for sportsmen access for sporting and recreation in parks, FWS refuges, and BLM public lands (\$20 million if national forests are included);
- \$100 million (both discretionary and mandatory) for NPS State Conservation grants, intended to create and maintain a legacy of high quality recreation areas and facilities to stimulate non-federal investment in the protection and maintenance of recreation resources across the country; and
- \$25 million for Urban Parks and Recreation Fund grants, through the NPS.

Overall, of the \$900 million funding in FY 2016 for the Departments of the Interior and Agriculture combined, approximately \$575 million will support conservation, sportsmen access, and recreational opportunities on federal land

As noted above, the Administration's request includes continued funding for the Collaborative Landscape Planning LWCF initiative. This important interagency program brings the Departments of the Interior and of Agriculture together with local stakeholders to identify large natural areas where LWCF funds can achieve the most important shared conservation goals in the highest priority landscapes. Conserving large-scale natural areas provides multiple resource

and economic benefits to the public, including clean drinking water, recreational opportunities, protected habitat for at-risk and game species, and jobs generated on and off these lands.

Finally, enactment of a mandatory LWCF program is central to protecting the American heritage of conservation and recreation for the American people. Mandatory funding also will help achieve the original intent of the LWCF Act—the dedication of a meaningful portion, \$900 million, of the revenues private companies pay to access the Nation’s offshore oil and gas reserves for the preservation of the Nation’s lands and waters for the benefit of all Americans, now and in the future. The Energy Information Administration projects that offshore crude oil development is expected to increase an average of 1.3% per year through 2040 (see EIA Annual Energy Outlook 2015 with Projections to 2040), with production expected to reach 2.10 million barrels/day by 2020. That is a 37% increase over 2015. At any level of crude oil prices projected in the Report, the incremental production of offshore oil over current levels would yield over \$2 billion in increased revenues to the Federal treasury, well exceeding the Administration's funding request.

Conclusion:

Over its 50-year history, the LWCF has reinvested a small portion of revenues from offshore oil and gas leases on the Outer Continental Shelf in over 40,000 local conservation and outdoor recreation projects that protect our nation’s land, water, wildlife and cultural heritage. In this manner, the LWCF has protected conservation and recreation land in every state and supported tens of thousands of state and local projects. These investments not only conserve lands in or near national parks, refuges, forests, and other public lands—including landscapes identified for collaborative, strategic conservation—they also enable access to lands for sportsmen and hunters, protect historic battlefields, and provide grants to states for recreation and conservation projects improving the quality of life in cities and towns across this country.