



THE SECRETARY OF THE INTERIOR
WASHINGTON

MAR 17 2023

The Honorable Rosa L. DeLauro
Ranking Member
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

Dear Representative DeLauro:

Thank you for the opportunity to discuss the potential harmful impacts of a proposed cap on fiscal year (FY) 2024 discretionary spending at the FY 2022 enacted level and potentially much lower levels depending on how reductions are allocated.

President Biden's FY 2024 budget lays out a detailed plan to invest in America, continue to lower costs for families, protect and strengthen Social Security and Medicare, and reduce the deficit. Meanwhile, Congressional Republicans have proposed unprecedented cuts in FY 2024 funding that would necessitate reductions to key services, programs, and protections such as education, public safety, research, nutrition, and more.

Cuts on this scale would have very real and damaging impacts on our families, our communities, our economy, and our competitiveness—undermining a broad range of critical services the American people rely on in their everyday lives. For the Department of the Interior (Interior), the proposed funding cap would reduce funding below FY 2023 levels by 4 percent (-\$611 million) if non-defense and defense funding share reductions equally, or -22 percent (-\$3.7 billion) if non-defense programs take the full reduction. The -22 percent scenario would reduce Interior's funding to \$13.1 billion, well below the FY 2016 funding level.

Reductions of this magnitude would require Interior to make difficult choices that would have real impacts to the lives of Americans. Interior plays a major role in Federal efforts to combat wildland fire and reduce fire risk; address extreme drought conditions in the West; support Tribal Nations and insular areas to strengthen their communities; strengthen the economy and provide jobs; ensure the American public has safe, enjoyable, and informative experiences visiting their national parks, refuges, and public lands; protect the longevity of American's shared natural and cultural treasures; provide basic and applied science to better understand and steward changes in our natural environment; and directly support the reclamation and conservation efforts of States, Tribes, and partners across the Nation through established grant and partnership programs.

Visitor Services and Safety Disruptions at National Parks

Implementing the proposed FY 2024 reductions by the House of Representatives (House) would require Interior to impose a hiring freeze, restrict new hiring to backfilling critical positions, and take deep cuts in the number of seasonal employees hired to accommodate peak visitation to the national parks, national wildlife refuges, and public lands. Reductions-in-force cost money in the near-term, create disruption, and would exacerbate an already difficult staffing situation and reverse recent efforts to rebuild staffing capacity lost during the last administration.

The House proposed reductions would be particularly difficult for the National Park Service (NPS) which in 2022 supported 18,660 full-time equivalent positions (FTEs)—roughly 30 percent of Interior’s total staffing in 2022. Approximately 55 percent to 60 percent of NPS’ annual appropriation funds staffing across the national parks and program support offices. Faced with the significant reductions under consideration and increased Federal pay, NPS would implement a hiring freeze, reduce seasonal hires, and prepare to furlough permanent employees for varying periods of time, reducing staff by as many as 5,000 FTEs. Seasonal hires, which totaled 8,286 employees last year, are essential to park operations—serving as park rangers, trail and maintenance workers, and visitor service assistants to welcome and educate visitors, conduct resource related research, protect park resources, and help keep the parks looking beautiful. The NPS would prioritize funding contracts related to the protection of life and property, leaving other important services like daily facility maintenance incomplete across the Nation. Virtually all cooperative agreements for programs and services would be cancelled, including those that support youth programs.

Parks like Yosemite National Park would face real cuts closer to 25 percent once fixed expenses are paid, leading to significant impacts to park operations. Yosemite National Park supports roughly 208 FTEs and staffing is the largest cost category at the park. A reduction of this magnitude could not be achieved without reducing staff, by as much as 52 FTEs, which would have a ripple effect across park programming and services.

Visitors to the national parks would feel the impact of funding reductions at parks across the Nation. Parks would need to reduce hours, close visitor centers, reduce trash collection and facility cleaning, as well as ranger-led programming. The need to curtail services such as snow plowing would impact decisions including whether to maintain winter access to parks like Yosemite National Park, which welcomed over 336,000 visitors this winter despite record levels of snow.

To provide perspective on the impact these reductions would have beyond national parks, in 2022, NPS received 312 million recreation visits, an increase of 15 million visits or 5 percent from 2021. The NPS estimates in 2021 that 297 million park visitors spent \$20.5 billion in local gateway regions when they visited the national parks, which was estimated to support 323,000 jobs. If enacted, these cuts would impact all parks—affecting visitor services in varying ways across the National Park System.

Undermine Wildland Fire Management Efforts

There were 68,988 wildfires across the United States last year leaving 7.5 million acres burned. The number of wildfires was noticeably higher than the 10-year average, which has consistently increased over the last several years. President Biden has committed to support Federal wildland firefighters in the very critical work they do and is working with Congress to ensure wildland firefighters continue to receive competitive pay in FY 2024 once supplemental pay available through the Bipartisan Infrastructure Law (BIL) is no longer available. For Interior’s 3,100 wildland firefighters, temporary pay increases included in the BIL are set to expire at the end of FY 2023, leaving these front-line incident responders facing the threat of a personal financial cliff of up to -50 percent or -\$20,000 of their salaries. The House funding cap would derail efforts to fix this problem with a long-term solution, making this personal financial cliff a reality. As mentioned, in FY 2024 Congress faces the need to fill a \$429 million funding gap to maintain base operations in Interior’s wildland fire program, and additional funding is needed to ensure Federal wildland firefighters do not take a pay reduction. Failure to address these issues would equate to a funding reduction of nearly -40 percent across the fire programs, devastating Interior’s wildland fire fighting capability and fuels management and burned area rehabilitation programs, by reducing as many as 1,754 of the 4,468 full-time fire program positions planned for FY 2023, including Federal and Tribal wildland firefighters, and lower pay levels for firefighters remaining on staff.

Absent these issues, the House proposed reductions could reduce impact nearly 1,000 of the current wildland fire program FTEs, of which 70 percent are Federal and Tribal firefighters. The House proposal reverses bipartisan efforts to build capacity in the wildland firefighting workforce. Reductions of this magnitude would make it impossible to avoid reductions in the wildland firefighting workforce, increasing the safety risk and burden on remaining firefighters. The reduction in pay, coupled with increased hours and risk, would incentivize those remaining to find jobs elsewhere with more competitive pay and better working conditions. Allowing this situation to occur would be irresponsible and dangerous, leaving the Nation at risk of having an inadequately staffed and supported firefighting workforce to respond to potentially catastrophic wildfires during the 2024 fire season. These adverse conditions would also apply to positions funded in Interior's fuels management program, which also serve as wildland firefighters. It is estimated the House proposal would reduce the fuels management treatments Interior could accomplish by roughly 1,000,000 acres, leaving communities near wildland fire areas at greater risk.

Disrupt Drought Mitigation Efforts and Water Availability

The Nation continues to live with sustained severe drought conditions in the western U.S., requiring changes both near and long-term in how we manage and use water and how we manage natural resources to mitigate drought conditions. Investments through the BIL and the Inflation Reduction Act (IRA) do not supplant the need for annual funding for the Bureau of Reclamation's (Reclamation) programs, especially at this time, when needs are so great.

Deep reductions to Reclamation programs in FY 2024 would irresponsibly undermine ongoing efforts to increase water supply and reliability projects, drought preparedness and response, and limit funding needed to maintain and operate ongoing western water and power facilities. Reclamation programs currently support 489 dams and 338 reservoirs delivering water to more than 31 million people and 1 of every 5 western farmers. The House proposed reductions would delay ongoing infrastructure projects including vital improvements to Reclamation's 361 dams at high or significant hazard risk. A 22 percent cut to the dam safety program eliminates \$40 million from the current program putting more than 13 current projects at risk of reductions and impacting dam operations or temporary reservoir restrictions, which would ultimately increase the final cost of these repairs. This reduction could stall work on significant long-term projects such as dam modifications needed at the B.F. Sisk Dam in California to reduce the risk of potential failure. This dam is a key component of the Central Valley Project, providing 2 million-acre feet of water storage south of the California Sacramento-San Joaquin River Delta.

The funding levels in the House proposal would have dramatic impacts on areas in the West facing daily drought management challenges including Interior's ongoing work with the States in the Colorado River Basin and other key partners to implement plans to conserve water in Lake Mead. Steep reductions would adversely impact Reclamation's ability to reduce the likelihood Lake Mead would decline to critical elevations potentially resulting in a "dead-pool," where water allocations from the reservoir are no longer possible, and to ensure enough water passes over dams to generate power for thousands of Americans.

Deep cuts to the Central Valley Project in California, one of the largest water management projects in the Nation, would significantly reduce floodplain restoration in areas such as the San Joaquin Valley, one of the highest risk locales for catastrophic flooding. Actions to ensure compliance with restoration requirements would be significantly reduced, increasing the risk of costly and hindering litigation. Already reduced water allocations could be further reduced. Facility operations and repair actions would be scaled back to focus only on the most critical actions, risking compliance with cost-share requirements for hatchery operations.

Reduce Support for Tribal Nations

The Bureau of Indian Affairs' (BIA) core mission serves 574 federally recognized Tribes through services or funding supporting social services and Indian child welfare, Tribal government, Indian self-determination, reservation roads, energy development, natural resource programs, law enforcement, Tribal courts, and detention operations and facilities on Federal Indian lands. The BIA programs help foster economic development through increased access to broadband, Indian guaranteed loans, and basic needs such as passable roads. These programs support fundamental services which, in many cases, are not sufficient to meet the need. Tribal communities have historically been underfunded and cannot sustain the deep reductions under consideration.

Funding for Tribal public safety, justice, and law enforcement programs is among the highest priorities for Tribes and Interior. Despite a strong commitment to public safety and justice program funding, the last Tribal Law and Order Act report submitted to Congress indicated BIA programs address only 17.8 percent of the identified law enforcement need in Tribal communities. American Indians and Alaska Natives are more likely to experience violent crimes at higher rates than the national average. Funding from BIA supports roughly 7,000 Tribal law enforcement personnel of which could be reduced by over 1,500 personnel. Instead of addressing the additional need Tribes have identified to keep their communities safe, they will instead face a steep reversal triggered by the House Republicans' cap proposal.

Bureau of Indian Education (BIE) funding supports approximately 3,400 teachers, professional staff, principals, and other school administrators serving roughly 46,000 Indian students in 183 BIE-operated schools. Among the challenges BIE continues to address is recruiting and retaining a highly skilled workforce, which reached 68 percent of BIE staffing goals in June 2022. The House proposed cuts could lead to over 500 fewer teachers and other school staff—roughly 25 percent less funding available for basic education programs and services at BIE K-12 schools—and stop work on or force significant delays in much needed BIE school repairs and facility construction projects. Currently, 83 or 45 percent of BIE schools are rated as in poor condition reflecting a legacy of chronic underfunding.

Curtail Energy and Mineral Development

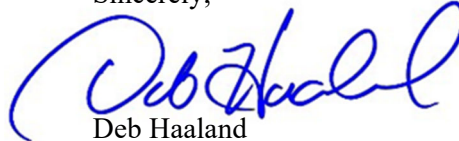
Interior is seeing an unprecedented surge in demand for energy development which would bring jobs and strengthen local economies. Interest and demand for renewable energy is extremely high and is anticipated to continue to grow with incentives in the IRA. As of February 2023, the Bureau of Ocean Energy Management (BOEM) conducted eleven competitive offshore wind energy lease sales and currently manages 27 commercial wind leases, covering over 2.1 million acres on the outer continental shelf. The BOEM is in the planning stages of identifying additional offshore areas. Onshore, the Bureau of Land Management (BLM) has approved over 126 renewable energy projects, with a combined approved generating capacity of over 14,500 megawatts with more in the queue. The proposed House reductions would bring this work and the associated job and economic growth to a standstill.

Proposed cuts would reduce base program funding and staffing needed to implement the oil and gas reforms and directed lease sales in the IRA, which require updates to Interior's leasing regulations and policies, as well as planning and environment studies to implement. The IRA did not provide additional funding for implementation. The cuts would also impact BLM's onshore oil and gas leasing operations and inspection activities. The BLM currently has more than 26.6 million acres of land leased for oil and gas production, manages roughly 34,400 Federal onshore leases, and conducts roughly 30,000 inspections each year across 32 States. The proposed cuts would impact oil and gas inspection activities onshore and offshore, increasing public safety and health risks, and delay work needed to maintain oil and gas programs.

The House proposed reductions will significantly derail permitting for energy and other infrastructure projects funded and incentivized in the BIL and IRA legislation. With the proposed cuts Interior could not support permitting for this increased activity. On average, the U.S. Fish and Wildlife Service completes roughly 1,000 formal and 11,000 informal Endangered Species Act Section 7 consultations each year which does not keep pace with current demand. Significant cuts below FY 2023 funding would create a significant bottleneck and delay projects across the Nation funded by BIL and IRA investments.

These are some of the most significant impacts to be expected from the reduction levels proposed in the House. Thank you again for the opportunity to discuss the severity of the impacts the House proposed funding caps might have on Interior's mission activities.

Sincerely,

A handwritten signature in blue ink, appearing to read "Deb Haaland", is written in a cursive style. The signature is positioned above the printed name "Deb Haaland".

Deb Haaland