



United States Department of Agriculture

Office of the Secretary
Washington, D.C. 20250

MAY 20 2015

The Honorable Ken Calvert
Chairman
Subcommittee on Interior, Environment,
and Related Agencies
Committee on Appropriations
U.S. House of Representatives
B308 Rayburn House Office Building
Washington, D.C. 20515

Dear Mr. Chairman:

This letter transmits the U.S. Department of Agriculture's (USDA) response to the requirement in the Joint Explanatory Statement, Division F, for the Department of the Interior, Environment, and Related Agencies Appropriations Act, 2015, H.R. 5171, specifying that the Forest Service report on "the progress made during the first year of implementation and projections for the coming year" for the Landscape Scale Restoration (LSR) budget line item in the State and Private Forestry appropriation within 90 days of enactment.

President Obama's fiscal year (FY) 2016 budget would fund LSR at \$23.5 million, an increase of \$9.5 million from the FY 2015 enacted level. The LSR program's work is critical to ensuring the continued health and resilience of our Nation's forested landscapes. Projects are focused on restoring healthy and resilient landscapes and communities in priority areas that States identify. By addressing threats to forest sustainability such as protecting lands from development, damaging wildfires, or the spread of insects and disease, these projects will also benefit adjacent National Forest System lands, creating healthier, more resilient landscapes. Programs like LSR are in jeopardy without a new funding strategy for wildfire suppression. I urge you to act quickly to pass fire suppression cap adjustment legislation so the largest and costliest fires do not erode the Forest Service's ability to support healthy and resilient landscapes and communities through forest restoration.

In compliance with section 435 of Public Law 111-88, this information will be posted to <http://www.fs.fed.us/about-agency/budget-performance> after 45 days. A similar letter and the report are being sent to Senator Lisa Murkowski, Senator Tom Udall, and Congresswoman Betty McCollum.

Sincerely,

A handwritten signature in black ink that reads "Thomas J. Vilsack". The signature is written in a cursive, flowing style.

Thomas J. Vilsack
Secretary

Enclosure



United States Department of Agriculture

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Washington, D.C. 20250

MAY 20 2015

The Honorable Lisa Murkowski
Chairwoman
Subcommittee on Interior, Environment,
and Related Agencies
Committee on Appropriations
United States Senate
125 Hart Senate Office Building
Washington, D.C. 20510

Dear Madam Chair:

This letter transmits the U.S. Department of Agriculture's (USDA) response to the requirement in the Joint Explanatory Statement, Division F, for the Department of the Interior, Environment, and Related Agencies Appropriations Act, 2015, H.R. 5171, specifying that the Forest Service report on "the progress made during the first year of implementation and projections for the coming year" for the Landscape Scale Restoration (LSR) budget line item in the State and Private Forestry appropriation within 90 days of enactment.

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Sincerely,

A handwritten signature in black ink that reads "Thomas J. Vilsack". The signature is fluid and cursive, with the first name "Thomas" and last name "Vilsack" clearly legible.

Thomas J. Vilsack
Secretary

Enclosure



United States Department of Agriculture

Office of the Secretary
Washington, D.C. 20250

MAY 20 2015

The Honorable Tom Udall
Ranking Member
Subcommittee on Interior, Environment,
and Related Agencies
Committee on Appropriations
United States Senate
131 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Senator Udall:

This letter transmits the U.S. Department of Agriculture's response to the requirement in the Joint Explanatory Statement, Division F, for the Department of the Interior, Environment, and Related Agencies Appropriations Act, 2015, H.R. 5171, specifying that the Forest Service report on "the progress made during the first year of implementation and projections for the coming year" for the Landscape Scale Restoration (LSR) budget line item in the State and Private Forestry appropriation within 90 days of enactment.

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Thomas J. Vilsack
Secretary

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United States Department of Agriculture

Office of the Secretary
Washington, D.C. 20250

MAY 20 2015

The Honorable Betty McCollum
Ranking Member
Subcommittee on Interior, Environment,
and Related Agencies
Committee on Appropriations
U.S. House of Representatives
1016 Longworth House Office Building
Washington, D.C. 20515

Dear Congresswoman McCollum:

This letter transmits the U.S. Department of Agriculture's (USDA) response to the requirement in the Joint Explanatory Statement, Division F, for the Department of the Interior, Environment, and Related Agencies Appropriations Act, 2015, H.R. 5171, specifying that the Forest Service report on "the progress made during the first year of implementation and projections for the coming year" for the Landscape Scale Restoration (LSR) budget line item in the State and Private Forestry appropriation within 90 days of enactment.

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Sincerely,

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Thomas J. Vilsack
Secretary

Enclosure

United States Department of Agriculture

Forest Service

State and Private Forestry

Landscape Scale Restoration

Progress Made During the First Year of Implementation and Coming Year Projections

Background:

There are more than 500 million acres of non-Federal forest lands in the United States—two-thirds of the Nation's forests. These important resources generate billions of dollars in forest products, revenues, and recreation spending. They also provide well-paying rural jobs, supply more than 50 percent of the Nation's water supply, and support imperiled wildlife and fish species. The Landscape Scale Restoration (LSR) program helps to ensure that our Nation's non-Federal forestlands will be able to continue to provide these important benefits to the American public by allowing States to pursue innovative, landscape-scale projects that focus on their priorities, as identified in their State Forest Action Plans.

Prior to the implementation of LSR, from fiscal year (FY) 2008 through FY 2013, State and Private Forestry (S&PF) provided \$13 to \$20 million in funding annually through a process known as S&PF "Redesign." The Redesign funding was used for competitive projects focusing on issues and landscapes of national importance, and it also focused on activities that provided meaningful outcomes on the ground. The funds for this effort were drawn from multiple S&PF budget line items. The Redesign process yielded numerous successful projects and leveraged an average of more than \$20 million of partner funds and in-kind contributions annually. Analysis of State Forest Action Plans has shown that forest management priorities differ across, and even within, States. Surveys conducted in conjunction with the National Association of State Foresters have indicated that many States would like to change the configuration of the S&PF grant dollars they receive. The LSR program is the next evolution of this process with a distinct budget line item that provides more flexibility for funding innovative projects in priority areas identified by States.

The LSR program's work is critical to ensuring the continued health and resilience of our Nation's forested landscapes. This program is a competitive grant program that provides opportunities to fund innovative projects across program boundaries and across landscape jurisdictions that address priorities and needs consistent with the State Forest Action Plans. Projects are focused on restoring healthy and resilient landscapes and communities in priority areas that States identify. This program provides States the opportunity to develop targeted, creative projects that most effectively leverage the agency dollars. These projects span a wide spectrum of priorities to include everything from expanding riparian forest buffers in urban watersheds in the Eastern United States to the restoration of shortleaf pine in multiple States across the South and preparing for the effects of a changing climate in at-risk forest areas of the Pacific Islands. By addressing threats to forest sustainability such as protecting lands from development, damaging wildfires, or the spread of insects and disease, these projects will also benefit adjacent National Forest System lands, creating healthier, more resilient landscapes.

LSR First Year Progress:

This new budget line item, first proposed in FY 2013, was enacted in the Consolidated Appropriations Act, 2014. However, the Act was passed after the first quarter of the fiscal year and the competitive process was well underway in its prior S&PF Redesign form. Because of the multi-phase nature of the competitive process, which is managed by three different State forestry regional organizations, the request for competitive project proposals and guidance for their submissions were issued in the previous fiscal year. Therefore, FY 2014 was a “bridge” year where projects were funded with LSR, but they were selected through the prior Redesign process, with updated guidance (http://www.fs.fed.us/spf/redesign/fy2014_compet_guide.pdf) issued in conjunction with the National Association of State Foresters.

Updated Guidance and Reporting:

For the first time, the updated guidance required that these projects be explicitly cross-boundary in nature and that their accomplishments be recorded spatially. FY 2014 project performance is still being submitted, with an expected completion date in the early spring of 2015. This information will now be stored in a new module in the Stewardship Mapping and Reporting Tool developed over the last year, which is known as the LSR reporting tool, or LaSR. The database behind the LaSR is similar to the Redesign Reporting Tool used previously, but it has several notable improvements. The LaSR has four fields for noting the funding information. The fields are: Forest Service Funding, Non-Federal State Contributions, Other Federal Funding, and Non-Federal Other Contributions. The LaSR also has checkboxes for the outcomes related to the three national themes. The application requires users to check at least one outcome for each of the three themes. Lastly, the application requires the upload or digitizing of the “impact area” of the project. A project brief can be printed from the application with most of the fields, and it includes a project map. The spatial data functionality and expanded funding fields fully modernize this tool. In the fall of 2014, all data from the previously used Redesign Reporting Tool was migrated into LaSR. Currently, users can search for projects, edit existing projects, or create new projects directly in LaSR. A well-attended training was conducted for Forest Service and State partners in January 2015. A user guide, Webinar video, and other training materials are also available to users.

New Project Submission Management Process in the West:

In FY 2015, the Council of Western State Foresters (the organization of State foresters in the Western United States) created a Web-based S&PF, Western LSR Competitive Grant Program proposal submission, evaluation, and search system. The process transitioned from a pdf-based, email submission to a streamlined Web portal. The new system accomplished the following: (1) improved efficiency and integrity of the process; (2) provided a more user-friendly interface for applicants and reviewers; and (3) offered a searchable database for information gathering. It also serves as an important database of information that can be searched to create reports on how, where, when, who, and why S&PF investments are spent from the grant funds provided. This new site, *Forestry Grants* (<http://www.forestrygrants.org>) has three main, customizable, components: (1) an online user interface to create accounts, and also create, save, and submit proposals; (2) an online reviewer system with automated Excel features that provides the operations needed to rank and summarize the proposals; and (3) a searchable database for proposals.

FY 2014 LSR Projects:

In FY 2014, S&PF competitively allocated \$12.5 million for 49 projects in 39 States and territories. These allocations enabled the Forest Service to leverage more than \$13.2 million in partner dollars and in-kind contributions. Projects continued to be focused on those themes outlined in the 2008 Farm Bill and emphasized in the previous Redesign competitive process – conserving working forest landscapes, protecting forests from harm, and enhancing the public benefits of trees and forests. Projects selected focused on diverse priorities identified by States in their State Forest Action Plans. For example, a project selected in Kentucky is evaluating ways to restore environmental quality and economic vitality in Appalachian communities. Water quality and urban forestry projects were a particular focus in the Eastern United States, with 10 of their 13 project selections centered on these themes.

Projections for the Coming Year:

In FY 2015, this program will continue to focus on cross-boundary, competitive projects that address the priorities and needs identified in States' Forest Action Plans and are focused around conserving working forest landscapes, protecting forests from harm, and enhancing the public benefits of trees and forests. This ongoing investment in cross-boundary, landscape-scale projects on State and private lands will spur innovation, bring partners to the table, support climate change activities, and allow the agency to leverage partner contributions. This investment will also result in sustaining and restoring forest health and vigor on hundreds of acres, accomplishing meaningful change on priority landscapes in States, allowing the agency to assist urban communities in protecting their forests, and maximizing the number of cross-boundary projects that can be funded.

In FY 2015, S&PF competitively allocated \$12.5 million for 55 projects in 33 States and territories. This funding was provided in the FY 2015 Appropriations bill enacted in December 2014. Funding was released to regions and then provided to States in early February of 2015. These LSR projects (the first year where the LSR budget line item was already in place—beyond the bridge year of 2014) were selected based on further refined guidance developed in conjunction with the National Association of State Foresters (http://www.fs.fed.us/spf/redesign/fy2015_national_guidance.pdf) and reporting, including matching funds, will be complete in early calendar year 2016. However, as agreed with the National Association of State Foresters, FY 2015 will also be an interim year as the Association and the Forest Service work to finalize performance measures, the LSR competitive process details, and an appropriate allocation methodology to ensure that the tenets of Redesign and LSR are met, with the ultimate goal of creating a final LSR competition that addresses priorities in State Forest Action Plans by funding the best cross-boundary, landscape-scale projects that are innovative, meet priority needs, and are outcome driven.