ORIENTATION MEETING WITH SECRETARY BABBITT

OVERSIGHT HEARING

BEFORE THE

COMMITTEE ON NATURAL RESOURCES HOUSE OF REPRESENTATIVES

ONE HUNDRED THIRD CONGRESS

FIRST SESSION

ON

ORIENTATION MEETING WITH SECRETARY OF THE INTERIOR GOVERNOR BRUCE BABBITT

> HEARING HELD IN WASHINGTON, DC FEBRUARY 16, 1993

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ORIENTATION MEETING WITH SECRETARY BABBITT

TUESDAY, FEBRUARY 16, 1993

HOUSE OF REPRESENTATIVES, COMMITTEE ON NATURAL RESOURCES, Washington. DC.

The committee met, pursuant to call, at 9:39 a.m., in room 1324 Longworth House Office Building, Hon. George Miller (chairman), presiding.

OPENING STATEMENT OF CHAIRMAN MILLER

The CHAIRMAN. The Committee on Natural Resources will come to order.

The purpose of today's hearing is to give our new Secretary of the Interior, Governor Bruce Babbitt, an opportunity to testify before this committee, and to describe some of his concerns and some of his plans for the Department of Interior, and then to respond to questions from members of the committee.

In the interest of everybody's time, and to make sure that we are able to maximize the amount of time that is available to members of the committee for the purposes of asking questions, it is the intent of the Chair that we would dispense with opening statements, and that we would allow Governor Babbitt to testify, and then we would go right to the questioning. And, if it is all right with Mr. Hansen, we will proceed in that fashion.

I would just say, Governor, we welcome you. We look forward to your tenure at the Department. And as you know, and as will evolve here today, I think you have come at a time when the resources of this Nation have never been under more pressure and there has never been more competition for the use of those resources. We believe it can be an exciting time. We believe that this committee will be central to many of those decisions, and we look forward to your stewardship and to your testimony. And please feel free to proceed in the manner in which you are most comfortable. Welcome.

STATEMENT OF HON. BRUCE BABBITT, SECRETARY OF THE INTERIOR

Secretary BABBITT. Mr. Chairman, and committee members, thank you very much. It is a great pleasure to be once again back in front of this committee, this time as Secretary of the Interior. I have enjoyed enormously working with the committee on all of the usual suspects, the Western issues, reclamation, water, Indian issues, and I certainly look forward to, in my new capacity, working with you.

I have noted with great admiration the work of the committee on many of these issues and your aggressive and thoughtful stance on water reform, on parks, on the great Western land issues as well as many of the other resource issues. There are many, many issues that I could talk about in my opening statement: The conflict between conservation and resource production; the continuing changes in the reclamation activities of the West; offshore oil policy; the very urgent issues relating to Native Americans, including the controversy over Indian gaming; the ongoing water rights issues; the Territories certainly deserve some discussion in terms of the organization of that effort, the Guam Commonwealth negotiations.

I thought, perhaps, what I might do, however, is reserve most of the specifics, to follow up on questions that any of you may have, and in lieu of a catalog of issues in an opening statement, with your leave what I would like to do is briefly discuss in a larger and perhaps more philosophical way just three issues. One is the management of the Department. The second is my views on the national park system and the related issues. And third, a cross-cutting but I think extremely important issue, which is the role of science in the Department, not only at each specific agency but across the Department as a whole.

The management issues are, perhaps, a melancholy way to open my presentation to this committee, but I think it is important to acknowledge that there are severe problems. The problems have been highlighted again and again in reports from the Government Operations Committee and from the Inspector General reports within the Department itself. The problems include the mismanagement of the Indian trust funds, the abuse of the civil service system, recent disclosures regarding the abuse of travel, deficiencies in revenue collection, and continuing pervasive difficulties in the Office of Surface Mining.

There are many reasons for all of those problems and among them I think is the remarkably decentralized nature of the Department of Interior. It has been described as not a department but six or seven departments or fiefdoms. Obviously, I intend to set out to change that. I believe that I was nominated and confirmed to be Secretary of the Interior, in part to assure all of you that I take note of, and will pay close attention to the deficiencies that have been surfaced in the reports of this Congress and the Inspector General.

The second issue is the national parks. The national park system is surely one of the great achievements of this government and this Congress. National opinion polls one after another indicate that the National Park Service is the most widely admired agency in the entire United States Government. I come to this Department with a profound personal attachment to the national park system. I grew up in a small town in northern Arizona which was intimately related to Grand Canyon National Park. I have an earth science background, and I spent a great deal of time as Governor of Arizona trying to put up a State park system that would complement the national park system. The first issue with the parks is, of course, resources. My budget proposal which will be out in due course as a part of the President's budget will show some substantial increases in the budget for the national park system. I can't describe them as dramatic simply because this is a time of austerity and the Interior Department is doing its share to reflect the President's determination to keep spending down. Within that budget there will be operational and maintenance increases pretty much across the entire park system, reflecting my intense feeling that we owe it to the American people to have parks that are in good shape, with adequate personnel, where the trails are open, the buildings are maintained, and the infrastructure is in good repair.

There are three California issues which notwithstanding the presence of the chairman I would offer anyway as illustrations of issues within the national park system. The first one is the Yosemite concession contract. I will be prepared to come back very shortly, in no more than a few weeks, to lay before you the issues relating to the concession contract at Yosemite. It is the largest contract in the national park system and the preceding administration took some commendable steps to try to bring concession contracts into the 20th century with a reasonable return to the government and, in that process, more resources for the park system.

The Yosemite contract is surely the most important. It is the first one that is up under the new regulations. I will have some comments and some suggestions to continue what I would call a move toward a market orientation, if you will, in the structure of those contracts.

I have paid a great deal of attention to the Presidio issues in the San Francisco area. This, as you know, is a site relinquished by the Department of Defense with enormous potential for incorporation into the urban park system surrounding San Francisco. It brings with it enormous budget implications, which I think we will see reflected and repeated in many of the urban parks that will have to be dealt with, and we are going to have to invent thoughtful and compatible uses for many of the facilities within that area.

I will be ready to come before this committee in the very near future on the California Desert legislation. Now, the administration supports the California Desert bills in concept that have been advanced by both Mr. Lehman and Senator Feinstein. We have nearly completed our analysis of those bills and will be prepared virtually at your call to step forward and testify on California Desert, evincing our belief that the national park system can and should be expanded and that there are roles for the Bureau of Land Management as well in the administration of these and other lands in the West.

I think it is important to continue to advocate expansion of the national park system. The user demand has continued to skyrocket over the years. The national park system is no longer a sort of Western system of large crown jewel parks. It is now a concept which has created admiration, support and demand across the United States. I will be before this committee advocating a judicious prioritized expansion of that system, mindful always that expansion creates additional budget demands and equally mindful of the importance of that expansion process. I will be focusing on ways to expand and in-fill the national park system through the use of land exchanges. This committee has legislated on the land exchange issue in recent years. I continue to believe out of my own experience that in addition to the Land and Water Trust Fund for outright acquisition that the use of the public land base for in-fill and expansion of the park system is a powerful way in times of budget austerity to continue this process. As an example of that I would cite two States: Wyoming and Utah, both of which are developing exchange proposals that have large implications, not only for the national parks but for the public land base as a way of getting rid of in-holdings in the public land base that were created by loose selection, indemnification, and other kinds of public land policies.

Lastly, a word about the role of science in the conduct of this Department. It is an issue which is coming up in many, many different ways. The role of science in the national park system has been raised by Chairman Vento, by a study put out by the National Academy, and it is treated extensively in the Vail report, which was issued on the 75th anniversary of the national park system. As it relates to parks, the critique, with which I agree, is that the lack of scientific capacity in the park system has badly handicapped resource decision-making. The parks have not entirely fulfilled their obligations under the Endangered Species Act. We have had intense controversies with respect to activities outside the parks; most recently and perhaps notably the air pollution issues at Grand Canyon National Park and the administration of the Glen Canyon Dam upstream on the Colorado River.

There are similar issues in most of the other agencies that I am now responsible for. The Bureau of Land Management needs an increased science capacity for good land management. They also need it to meet their obligations under section 7 of the Endangered Species Act. There are many Federal agencies, including some in my own Department, which have not entirely, or in many cases not even reasonably met their consultation and management obligations under the Endangered Species Act.

The Fish and Wildlife Service has an obvious and important link to the science issues. As I know you are aware, the Fish and Wildlife Service as the front line agency in charge of administering the Endangered Species Act has by court settlement taken on an enormous added burden for the listing and the preparation of recovery plans for another 400 species in addition to ones that will arise in due course.

The other issue with respect to the use of science in the Fish and Wildlife Service is my feeling that we must get control of the Endangered Species Act process by proactive front-end administration of that Act. And what that means is rather than focusing on single species as they spiral toward extinction we need to step back and look at the entire ecosystem and ask is it possible to intervene before the crisis? Is it possible to look at habitat management that will prevent that crisis, to do it on the basis not just of one species but of the entire ecosystem? There have been successes in some parts of California and elsewhere with that approach. It does, however, require an added emphasis on the scientific capacity of the agency.

In describing those particular issues, I think I draw you inevitably toward a larger conclusion, and that is that this Department needs a scientific research capacity that transcends the needs of individual agencies, because the ecosystem problems don't stop at the boundaries of BLM jurisdiction, of the Park Service jurisdiction, the Bureau of Reclamation, or any of the other agencies. I have a series of studies underway designed to answer the question, Is there some way that we can answer these needs by drawing together a coordinated effort which we can use to fulfill all of these responsibilities and which will draw the research capacity and the information together on a more systemic basis, on an ecosystem basis, if you will, to see if we can't put together and integrate something resembling a biological survey which perhaps can be conceptualized by analysis or by analog to the United States Geological Survey, which was created a century ago out of disparate agencies within the Department in recognition of the need for science which transcends jurisdictional boundaries?

Mr. Chairman, with those remarks, I would simply summarize by saying I look forward to working with this committee. I think we are at a time where a great deal can be done. There is public support for moving ahead on these issues. The land-use issues the water issues, and the regulatory issues, are ripe for reconsideration. This administration has repeatedly stated its belief, which I share, that resource development, the creation of jobs, and the sustaining of communities can be reconciled with a high degree of environmental protection, and that we now have the chance in the administration of the Department and in the legislative agenda of this committee to prove to the American people that we can be in the business of both creating jobs and being stewards of the resources.

Thank you.

The CHAIRMAN. Thank you very much.

[The prepared statement of Secretary Babbitt follows:]

OPENING STATEMENT OF GOVERNOR BRUCE BABBITT, SECRETARY OF THE INTERIOR

I am very pleased to be here today, to begin a cooperative and productive working relationship with this Committee. I grew up in Flagstaff, Arizona, a small town in the West. In those days, Flagstaff

I grew up in Flagstaff, Arizona, a small town in the West. In those days, Flagstaff was the center of a small regional economy dependent on the management of natural resources mining, forestry, reclamation, grazing and on decisions made about those resources at the Department of the Interior. Our horizons, then as now, were dominated by Grand Canyon National Park and the Navajo Indian Reservation. Our opportunities and our problems, then as now, were inextricably intertwined with the management of the Federal and Indian lands of the West.

I learned early on that the development of the West was guided, for good or ill, by the policies set by Congress and the Federal Government and administered by the Department of the Interior. The role of the Department as land manager, natural resources steward, wildlife conservator, parks curator, and trustee were not abstract notions where I come from. Each decision made in these capacities echoes through the economy, politics, and the quality of life in the West.

But the Interior Department is not just the "Department of the West," a fact I have understood more and more clearly during my career. The Department's minerals management responsibilities extend from the outer continental shelf of Alaska to George's Bank; its Office of Surface Mining has nationwide regulatory responsibilities; the Fish and Wildlife Service is the closest thing we have to a national wildlife conservation agency; and the National Park Service plays an increasingly important role in offering recreational opportunities to city dwellers in the East as well as to citizens across the rest of America.

The Department's trust responsibility for American Indian communities is also national in scope. In addition to its remaining responsibilities regarding U.S. and U.S.-associated Pacific and Caribbean insular areas, the Department's conservation role has an increasing international dimension, as questions of water, forest and biodiversity conservation grow in global importance.

I am encouraging the Department to pursue these widely varying responsibilities in a unified manner, to expand the areas in which the Department's bureaus work together to achieve common objectives, and to minimize, where possible, the conflicts that occur as a result of differing missions and responsibilities.

Even in the West, the Interior Department's role is changing as the West itself changes. When I became Governor of Arizona in 1978, I discovered a "new West" in which the changing economy of my state and region continually raised new issues and questions concerning the use and conservation of our most important natural resources.

The western environment, which once seemed limitless, now appears to be a vast and complex but fragile web. The need to conserve a sustainable natural resource base for the regional economy, and questions of the allocation of scarce resources, are issues that now shape the destiny of the West.

My vision for the Interior Department is to improve the management of the nation's natural resources and to balance needed development with a renewed emphasis on stewardship and conservation, so that the Department can help meet the emerging needs of the United States in the twenty-first century.

How can this be accomplished? I intend to focus on three things: (1) reinvigoration of the national parks; (2) the improvement of and reliance upon science at the Department; and (3) better management, both programmatic and administrative.

I believe we have a particular responsibility toward the great parks of the nation. And when I say "great parks," I mean all parks because each of its own right inspires its visitors. We have a responsibility to ensure that the parks receive the operating and maintenance funds that they need and that the physical infrastructure of the parks is improved.

With respect to science, it is my belief that decisions regarding the nation's resources must depend on sound scientific data and analysis. My goal is to increase the already significant capability of the Department in this area, to elevate the quality and credibility of the Department's research, and to insist that research results be used to inform decisionmaking.

As to management, two weeks ago, James R. Richards, the Inspector General of the Department of the Interior, and J. Dexter Peach of the General Accounting Office testified before this Committee on the programs and activities of the Interior Department. Both gentlemen pointed to the need to improve management performance, cut costs and to increase the flow of revenues required to address the degradation of the nation's natural resources and the infrastructure on federal lands.

Let me emphasize that we welcome audits at the Department of the Interior. We feel that audits assist us in doing our jobs. We may not always agree on audit findings and the recommendations proposed. But we benefit from feedback on the programs we are directing. I should note, however, that there are many issues that IG audits have raised on which agreement has already been reached as to how the Department and the bureaus will respond. And those corrective measures are being implemented. Beyond those issues, it is my intent to investigate all of the management allegations that have been made and get to the bottom of them. Wherever problems exist, I will deal with them.

MAJOR SUBSTANTIVE INTERIOR ISSUES

Protection of California desert

I believe the time has come to move forward with legislation to protect the extraordinary wildlife and ecological resources of the California desert. I have a sense of urgency on this issue that I know is shared by many on the Committee, especially Representative Lehman and Chairman Miller. I recognize and applaud the tremendous work that you and your staffs have already put into this issue. I am also aware of the importance which Senator Feinstein attaches to early action on her similar legislation in the Senate.

This area is truly one of our national treasures. The abundance of wildlife and the amazing ecological diversity of the desert deserve to be protected for future generations of Americans. At the same time, these areas need to remain accessible and available as a place where citizens today—particularly those whose lives are mainly spent in the metropolitan regions of our country—can achieve the encounter with their natural heritage that is the fundamental purpose of our national parks and wilderness areas.

I believe that we must work together to establish an innovative and stringent protection for the splendid diversity of animal and plant life of the California desert, and for the scenic wonders that draw people from all over the country to the desert each year.

Mr. Chairman, I look forward to talking with you and Representative Lehman about the options that are available to us concerning how best to protect and manage the key desert areas included in the legislation. I am highly confident that, working together, we can achieve a well-designed system of protected lands that can be managed to maintain and even restore wildlife and ecological diversity, and to form the basis for an extremely exciting cultural resource for California and the nation in decades to come.

Mining Law of 1872

In 1969 fellow Arizonan Stewart Udall, one of the most illustrious of my predecessors, said that he regarded fundamental reform of the Mining Law of 1872 as the most important piece of unfinished public lands business on the table. Now, nearly a quarter of a century later, the question is still before the Congress. But thanks to the strong leadership of this Committee, along with Senator Bumpers, we are closer than we ever have been to modernizing this last of the great nineteenth century land disposal laws. Had the clock not run out on the session last fall, I am told that a comprehensive reform bill would have passed the House handily.

The law has been tinkered with before, but many problems remain—such as disposal of valuable public resources for nominal fees, inadequate environmental regulation, and lack of secure tenure for mineral exploration. The mining industry, other users of the public lands, and above all the American people will benefit if we have a modern mining law—one that takes full account of the public interest in the lands and minerals owned by the American people. I stand ready to work with this Committee and the rest of Congress to bring this long effort to fruition. There could be no better way to signal that a new era of public land management has begun than by enacting a comprehensive reform of this antiquated law.

National parks, seashores and recreation areas

For a number of years, our national parks, national seashores, recreation areas and monuments have been allowed to deteriorate. We have hot kept pace with the maintenance and infrastructure needs to these resources. Increasing numbers of visitors overwhelm the capacity of the facilities. If we allow this trend to continue, future generations will be denied the opportunity to experience the beauty and richness of our country's natural heritage and cultural history.

I am hopeful that the Congress and the Clinton Administration can gorge a partnership to correct the neglect of the past years and plan carefully for the increased numbers of diversity of visitors. We must anticipate the future, develop rigorous priorities, charge concessionaires fairly for the access we provide the, invest in infrastructure, and implement an expanded maintenance and operations program, using concession revenues. We must care for the crown jewels of the park system, such as Yellowstone, Grand Canyon, Yosemite, Acadia and the Great Smokies. At the same time, we must care for our urban parks, such as Gateway and Golden Gate. It is through the appropriation and authorization process that the Administration and the Congress will give substance to this plan over the next year.

Moreover, to fulfill what I feel should be our joint commitment, we—the Administration and the Congress—must look now to the future protection of natural and cultural resources. it is the responsibility of the Department of the Interior to identify criteria for the selection of high priority acquisitions or and for redefinitions of land use. As new parks and protected areas are identified and brought into the system, the money to maintain and operate them must be identified simultaneously. For too long we have reneged on our past obligations. As we protect an area today, whether it is the California desert or Civil War battlefields, we must also look to its future. As we undertake new obligations, we must appropriate in the base budget the necessary resources, and not steal from our current responsibilities.

Native Americans

We face several specific and serious challenges concerning Native Americans. First, with respect to trust funds, we recognize that tribal and individual accounts must be reconciled. It is unclear whether it will be practical to reconcile individual accounts because of poor record keeping in the past, but we own Native Americans a responsible resolution of this longstanding matter. The issue will be costly and time consuming. I welcome your continuing support and suggestions.

There are approximately 50 disputes pending regarding Indian water rights. Settlement of these disputes will be expensive, but it should remain a high priority. As to Indian gaming, the state-tribal tensions that surround Indian gaming and how best to regulate it will be difficult to resolve, but must be addressed.

The sad reality is, however, that while these issues consume much of the Department's energy and financial resources, they do not begin to resolve the major problems of Indian education, child welfare, and economic revitalization. I am determined not to lose sight of these fundamental issues as we deal with trust funds, water rights, and Indian gaming.

Territories

We face many challenges with respect to our appropriate role regarding the U.S. territories. I am committed to being personally involved in addressing these challenges. Many of them require an interagency approach. I want Interior to play a lead role in coordinating all agencies involved, so that timely, reliable responses to territorial needs can be provided.

Since I became Secretary, I have met with representatives of most of the territories. I am listening to concerns and trying to be responsive. At the request of Governor Ada of Guam, for example, I have agreed to make an early effort to resolve the remaining issues in the Guam commonwealth negotiations.

CONCLUSIONS

The Inspector General remarked in his recent testimony that solving Interior's problems or effecting improvements within the Department's administration would not be easy. The issues we are facing are complicated, the interests of the people involved are diverse. In setting a course for the development of sound public policy, the building of consensus will take time. But I am committed to investing the time required to work within my department, with the varied natural resource interest groups, and with Congress to forge the wise policies American citizens deserve.

Whenever possible I will move to face issues before they become conflicts. I feel that by working together we can achieve a truly sustainable management regime on the public lands. It is up to us as public servants to resolve these natural resource issues to the satisfaction of our ultimate constituency, the American taxpayer.

I must also note that many of the issues confronting us involve the outlay of significant monetary resources, not only on the part of the Federal Government, but also by other governmental entities as well as businesses. I believe we have a responsibility to give careful consideration to the economic impact of our actions prior to making decisions and to mitigating such impacts whenever possible.

An important part of my job will be to reconcile the real needs of Western communities and industry for stable access to the resources of the public lands with the need to protect the environmental and renewable value of the lands for future generations. I will move to end the false choice debate that has arisen around the enforcement of the Endangered Species Act by setting our sights on developing an early ecosystem approach to species conservation. This, I feel, will serve to avoid the polarization of interests we see today. In addition, by taking an early intervention approach, tax dollars can be saved by avoiding protrated and costly litigation.

approach, tax dollars can be saved by avoiding protrated and costly litigation. I am looking forward to working with this Committee to help address these issues and to provide the Congress with the professional information needed for making wise decisions.

The CHAIRMAN. Your testimony comes at a very crucial and opportune time for this agency, the Department of Interior. As you quite correctly outlined, the Western environment as you say in your statement which once seemed limitless now appears to be a vast and complex but fragile web. I think it is clearly a correct assessment of the West, where this committee spends most of its time, although Mr. Markey and others will drag us back to the other side of the Mississippi. But it has changed dramatically over the last 25 years and it is under more pressure than ever before whether it is our national park system, our forest lands, our grazing lands, or the competition between economic interests and environmental interests, and I think that recognizing that is one of the most important steps to reconciling the differences that exist. I think everybody on this committee, Mr. Secretary, believes that in fact they can be reconciled; that we need not be forced into all-ornothing choices on the other side of the ledger; that, as you point out, very often we have got to look at the impacts of these decisions on regional economies, on local economies, and at the same time we have to look at the impact of the decisions of this committee and the administration with respect to regional environments and local environments, if you will. But we have always believed that they, in fact, could be reconciled.

But you touch on two very important points in your testimony, and that is the role and the management of the Department. I think many people who were involved very, very extensively over the last 2 years in the issue of the spotted owl and the problems of the Northwest will simply tell you that there was a failure of cooperation within the Department's agencies and bureaus that had responsibility to work together. That is a luxury that can no longer be tolerated. The management within the Department so that everybody is pulling in one direction will be very, very important to this committee in trying to resolve those issues.

And the other is science; not terribly sexy in the history of the Department of Interior but all the more important in terms of resolving issues, and maybe even more important in terms of getting answers to questions being asked about these issues from our districts, from our States, from impacted areas as to what is the best solution and how can we provide some certainty for those varied interests for a sustainable environment and a sustainable economy, and the role of science or the understanding of it. We have become smarter about some of the issues. We now are starting to recognize that we don't have to respond on a species-by-species basis where there is a never-ending discussion, debate and loggerheads, where we may be able to develop ecosystems solutions that and provide certainty for a greater length of time.

At the same, time that science must not be manipulated politically, and I would have to tell you that this committee has spent a considerable amount of time on that issue, on the manipulation of that science to one end or to the other. And I would hope that we would not see a repeat of that in this administration.

It is tough sometimes to accept objective answers to our questions, but it is also important to do that. And I think that you raised these issues on a very timely basis for the proper deliberation of this committee. We have spirited fights in this committee. We have spirited debate, because these issues are not esoteric, they are not abstract. They almost immediately affect each and every member's district on an ongoing basis, and it is for that reason we need the best evidence. It is for that reason we need the most open debate, so that members can, in fact, be heard, whether they win or lose in that argument.

We think that your Department can be very helpful in that debate in sorting out some of these differences and responding on a timely basis. And I am delighted to hear your outlining your willingness and ability to respond shortly on the issues of the California desert and the Yosemite contract and other issues that we need to address immediately. So, let me just—I will hold my questions and let other members proceed, but let me again welcome you and we look forward to your tenure.

Mr. Young?

Mr. YOUNG. Thank you, Mr. Chairman. And thanks for doing away with the opening statements. [Laughter.]

The CHAIRMAN. Well, you will only get one is the point. You either get an opening statement or a question.

OPENING STATEMENT OF HON. DON YOUNG, A REPRESENTA-TIVE IN CONGRESS FROM THE STATE OF ALASKA

Mr. YOUNG. This is no opening statement.

Welcome, Mr. Secretary. First, let me compliment you on giving me a call about a month ago, and that was a good step forward. It made me feel as if we are going to be part of this. Although we will have our disagreements, at least we have an open door, and I want to congratulate you on that.

I am going to ask one question, Mr. Secretary, and then I know there is—because we are so much involved with your Department in my State that this is a question that means a great deal to me because I think you have some sympathy in the area which I am going to address the question.

In 1971, you know, we had the Alaska Native land claims settlement—the largest settlement of any one individual group—twelve regions, actually 13 regions received. We were given, they were given—my constituents were given 44 million acres of land.

But within the Department of Interior regardless of administration, and I have been under six Presidents now, I think there has been a misinterpretation of section 22(g), whereby on one hand we gave the first Americans a settlement for their social and economic well-being. On the other hand, because of your Department, now it is your Department-it was Nixon's Department, and it was Ford's Department, and it was Carter's Department, and it was Reagan's Department, it was Bush's Department, and all the Secretaries under them, but now it is President Clinton's and your Department, and I certainly would like to see you communicate with the Fish and Wildlife Service to fulfill that obligation to my Alaska Natives. I have about 25 different cases where they say-for instance, in the Kenai Peninsula where there has been an agreement with everybody that the best land that is there could be exchanged with the Fish and Wildlife. Yet, for some reason Fish and Wildlife has said, Oh, no, we don't want to exchange it but you can't do any-thing with your land. Now, that is not fair and I hope that you will help me encourage the Fish and Wildlife Department to have the exchanges wherever possible or allow them to use those lands because I am going to introduce legislation to have that occur because it is not fair to the first Americans, it is not the intent of this Congress, and I am not laying this burden on you, but you can be of help to me and, I think, fulfill the obligation of this Congress and whoever the President may be to the first Americans; that is, my Alaskan Natives.

So that is what I am placing. You know, not a question, but a statement. I would like to have your input as time goes by. Please look at this solution because we have been arguing and discussing with the administrations over the years, and they always play this cutesy game because they are the government. I think there is a way to solve this problem.

Thank you, Mr. Secretary.

The CHAIRMAN. Mr. Sharp?

STATEMENT OF PHILIP R. SHARP, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF INDIANA

Mr. SHARP. Mr. Secretary, I am very delighted with your appointment and look forward to working with you in hopes of dealing with many of these complex of issues of working out how we are good stewards of the public resources. One issue, since I don't come from a district in which your Department immediately makes decisions that have a great impact. We don't have any Federal lands in my district. I am one of two or three around here who have a different perspective sometimes.

I would just like to raise with you an issue that you have—that fits into this pattern of how we work out these problems. That is, take for example OCS drilling for oil and natural gas resources. We have struggled with this for some years in the country, and now we have in place a number of moratoria which are sort of broad political statements that generally were not based upon any particular negotiation, any particular scientific examination, any particular review of either the environmental side of the equation or the industry side of the equation because we could never come to grips with it very easily. One of your predecessors was going to throw the entire OCS open to all kinds of drilling and it was an outrageous move which got a response of intense political opposition and drive to shut down many areas, or at least make them off limits and, as a result, we still have in the law now several moratoria that at some point you, the Department and the Congress will have to come to grips with as to whether we extend them or whether we alter them.

I just want to bring to your attention the fact that an effort was made through the Institute of Resource Management, something that Robert Redford had founded, to negotiate out this kind of an issue, and a remarkable achievement occurred that unfortunately another one of your predecessors, who publicly praised but then decided not to act upon it, blew the negotiation apart.

But, indeed, taking an example of the Bering Sea, bringing together representatives of Alaskan—American Natives or bringing together representatives of the fishing industry, bringing together oil drillers, the major oil drillers in the country, bringing together the major environmental litigators, actually worked out an agreement as to what areas would be acceptable from the environmental and fishing and Native point of view to be drilled and what areas would be out of bounds for drilling. One side agreeing that if you let us drill we won't press for any more area, and the other side agreeing that if you will stick in those areas we won't litigate, and it was a rather remarkable achievement that many people think is impossible in this society.

I would suggest to you that this process has some utility, but it takes time. It is a struggle to get it organized, and you have some time before these moratoria come off. And I know everything else will rush to fill that time, and it is awfully hard to get ahead of the curve, but I would strongly urge your Department to begin looking at some of these longer term deadlines that you have in hopes of bringing the competing interests together to begin to work out some of these problems. And I think it is a way that we can manage some of these conflicts and I would commend it to you. You certainly have done this kind of thing yourself, I know, in many ways, and I hope that we can work together on that kind of thing.

Secretary BABBITT. Mr. Sharp, this is surely the ultimate arena to test anyone's skills in conflict resolution. My sense is that as a result of the overly aggressive leasing policies of the 1980s where the Department's policies got way ahead of public opinion a backlash has developed with some unfortunate consequences, not the least of which is that the Department is now faced with the possibility of buying leases back in areas that are now covered by the moratoria.

The lesson of that episode I think is that from here on out we have got to analyze these issues with a great deal of care. We must be absolutely intense about running the existing operations to the highest degree of environmental safety that we possibly can, and then see if there is any kind of pattern below the moratoria where we could reach a public consensus. That is, some areas—Bristol Bay, for example, certainly at the top—are by consensus of everyone involved off limits to drilling, and then move back toward existing areas and ask whether there are any areas where the environmental indicators, the economic indicators, and public opinion would support any kind of expansion.

That is going to be a lengthy process, and my instinct at this point is to come back to you with a 1994 budget which continues the moratoria currently in existence. I am not certain that is an ideal way to conduct business, but until there is time to re-examine all of this question I am not sure that I have a better one.

The CHAIRMAN. Mr. Markey?

STATEMENT OF HON. EDWARD J. MARKEY, A REPRESENTA-TIVE IN CONGRESS FROM THE STATE OF MASSACHUSETTS

Mr. MARKEY. Thank you. I as well want to welcome you, Mr. Secretary. I think that President Clinton has appointed the best possible person in our country to be responsible in the 1990s for the stewardship of the public lands of the United States, and I want to compliment him and thank you for your willingness to take on this assignment. I think it is one of the most important that our country faces over the next decade.

I as well as the other members here today will I think be focusing more upon issues that are of narrow interest to each of us, but I think each of us as well understands that it is all part of this larger system of which you speak, and I want to work with you in helping to preserve and expand that national ecosystem.

The outer continental shelf issues off the Massachusetts coast, Georges Bank, is an issue of continuing controversy, one which right now is resolved and one which we believe does balance the interest between energy development and the natural ecosystem off the coast of Massachusetts and other parts of the country.

Inside of my own district, the Department of the Interior, of course, would have jurisdiction over the Lexington, Massachusetts Common where the shot was heard around the world, on the Lexington Green, and many other locations in my district which have historical importance for the country. Just north of my district, the Lowell Urban National Park, which was not such an obvious site for Department of the Interior stewardship but which I think now serves as a model for a more imaginative use of Department of the Interior resources. And some people will make allusion to this, but even the concern which I have that many other urban park areas, including Revere Beach, which is in my district and is the first public beach in the United States. I think is deserving of more attention by the Federal Government in terms of understanding how important it is to the national fabric of environmental and recreational areas that our government has to pay attention to on an ongoing basis.

So I think most of us are going to be on our best behavior today. We will think of this more in the nature of a weigh-in before the fight begins as you are sitting down there. But you will, I think, enjoy coming before this Committee. The issues are framed sometimes in polar opposites, but I think in the end we can over the next 4 years reconcile many of the differences and create a better environment for the country.

I thank you, Mr. Secretary.

Secretary BABBITT. Mr. Markey, your comments remind me of something that Senator Byrd told me when I was discussing my preliminary budget on the Senate side. He said that last year he had 3000 Member requests for parks and other facilities in the United States, and I say that by way of underlining two issues. One is, I believe that is a genuine reflection of popular and public demand for parks and recreational facilities and the preservation of historic sites, battlefields and open space in the United States. An important statement.

I think it also suggests the difficult but necessary task that I have of trying to prioritize where it is we go in the national park system, and I look forward to doing battle with all of you in that process.

The CHAIRMAN. Mr. Hansen?

STATEMENT OF HON. JAMES V. HANSEN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF UTAH

Mr. HANSEN. Thank you, Mr. Chairman. Mr. Secretary, we appreciate having you before us and welcome you here, and thank you for your opening remarks. I remember 13 years ago there was another man sitting there by the name of Jim Watt. The papers looked at him as the extreme right. Now they look at you as the extreme left. I hope that is not the case. I hope that now that you wear this hat that you can see that, especially coming from the State of Arizona, contiguous to my State of Utah, that those people have some rights too.

And on the multiple use question that has come up I have noticed what you have said about it. I have read your articles. I hope that we realize that the folks who live in the West, those who ranch, those who have mines, those who cut timber in an environmentally safe way, that they have a right to exist. I hope that what you stated about the Reclamation Act is a little different now that you are wearing a different hat because in my years on this committee I don't know of one State that has received more on reclamation than the State of Arizona, and last time as we did the omnibus bill Chairman Miller put through our good friend Jay Rhodes had another piece in there for Arizona and reclamation.

I appreciate your comments on the Endangered Species Act and what you said about it. I hope that we all realize that this thing wasn't from Mt. Sinai, it wasn't from the hand of God. It has got a lot of imperfections in it. The idea of the taking which seems to me coming as a Governor from the State, and I was Speaker of the House when Governor Masterson, your good friend, was Governor from Utah, we can see the necessity of some things being changed. From time to time they have to be. But you probably used to use eminent domain. We used it all the time in the State legislature. We used it also in city councils where I have served. It seems to me it is kind of a tragedy as we see this. I realize we are in the honeymoon period. I agree with my friend, Mr. Markey, that we will go easy today and not bring these things up, but, Gee! I would sure like to have some answers to these. I think a lot of us would like to have some answers to them.

You are very close to the Grand Canyon, from your opening remarks. I am too. I have flown down it. I have gone down the river a dozen times. I have walked across it. I have a love affair with the Grand Canyon like most people in the West do. Really tough questions coming up there. And again the Endangered Species Act. That first section from the dam down to Lee's Ferry, probably the best fishery there is in America now, and yet if we followed the strict letter of the Endangered Species Act we would have to take all of those trout out—all the rainbows, the brown, the cutthroat and we would be down to a position of trash fish. Somewhere I hope that in your wisdom you can solve these problems.

We put motors on it, so more people can enjoy it. Things such as that.

Mr. Secretary, many of us will agree that it is very important that we work together for the good of the West, and those who have States like we do, 73 percent owned by the Federal Government, we want to work with you and we extend the hand of friendship. We would hope that we can do this in a way that is environmentally sound and yet does not hurt our economy in our States.

And thank you, Mr. Chairman. I appreciate the opportunity of an opening remark.

Secretary BABBITT. Congressman, there is much to respond to in those remarks. If I might just say a word about the endangered species issue. By way of emphasizing my view that we get into these problems because of the lack of a proactive effort to deal with the problems before the crisis, and by way of illustration, I will be required by court order to begin listing a number of species with tremendous consequences for a variety of areas. The first one is the Delta smelt in the California Bay Delta.

The CHAIRMAN. I am honored, Mr. Secretary.

Secretary BABBITT. I can tell you that I will be required. The CHAIRMAN. I want you to know I am honored. Secretary BABBITT. Well, I met with Governor Wilson several weeks ago. I don't think he was thrilled at the prospect of that listing. But the point that I made to him was that we should have been at work over the last 5 years under the existing provisions of the Endangered Species Act to try to devise a habitat conservation plan to avert the listing.

Now that does require an investment in science and analysis of the entire system, in that case, the water system of a bay delta. Unfortunately, that wasn't done, and now we are going to be doing it under strict legal deadlines and court-driven process.

Coming closer to Utah, I must tell you, for better or for worse, that I read the court orders and the processes that were set in motion in the prior administration as now virtually certainly requiring me to list the Mexican spotted owl as an endangered species with consequences for Utah, Colorado, Arizona, and New Mexico. Again, one reason that that listing must now take place, I believe, under judicial mandate is that the Interior Department and the United States Forest Service fell at sword's point in an attempt to put something together. They simply over the past years have taken the position that they would rather not cooperate and leave it to the courts. I am now left to deal with that and, of course, I will.

My conclusion again is that with the help of this committee and with some good, comprehensive science I believe that the Endangered Species Act can be made to work in a proactive way to avert these crises.

The CHAIRMAN. Mr. Murphy.

STATEMENT OF HON. AUSTIN J. MURPHY, A REPRESENTA-TIVE IN CONGRESS FROM THE STATE OF PENNSYLVANIA

Mr. MURPHY. Thank you, Mr. Chairman. Governor, thank you for accepting the tremendous task of caring for our natural resources, and thank you for devoting to us your morning.

I was pleased to see in your opening remarks that you mention the 1872 Mining Act. In the last session of Congress Chairman Rahall guided reform of that Act through the committee, and we hope that we will have your leadership and support in tackling that job this year.

I want to join my colleague Mr. Markey in saying there is a need for the Interior Department east of the Ms. River. Our land may come a little higher in price, but we feel that when you seek your priorities you will take into consideration that we do have several requests to make small expansions in our Civil War battlefields and some of our Revolutionary battlefields. We certainly need more open space in the East, and we look forward to your guidance. That would be one issue I hope you address.

The second is that timber is a renewal resource, and I hope that you will accept that philosophy and allow us to, perhaps, harvest the timber, manage it correctly so that we can. The cost of lumber is going up. The building does not subside in this country, and it is also a good product for export. If we can properly raise, manage and harvest our timber, I think we will be able to face the needs of the next century.

So I hope that you will address those two issues. Thank you, Mr. Secretary. Thank you, Mr. Chairman.

The CHAIRMAN. Mr. Rahall

STATEMENT OF HON. NICK JOE RAHALL II, A REPRESEN-TATIVE IN CONGRESS FROM THE STATE OF WEST VIRGINIA

Mr. RAHALL. Thank you, Mr. Chairman. Mr. Secretary, I join with my other colleagues in welcoming you to the committee today.

My efforts during the last several years on this committee have been in basically three areas: one is the Office of Surface Mining; two is National Park Service; and three has been mining law reform.

With regard to the problems that have plagued the Office of Surface Mining over the last decade or so, I feel we have gone a long way in correcting a great many of those problems in last year's energy bill. I don't foresee this committee spending as much time in playing cat and mouse games with whomever the new director of OSM is as we have over the past years. I think under your leadership we are going to see honesty, we are going to see a straightforward opinion being expressed, and we are not going to have to wait around for years and years to get our questions answered as we did during the last few years. So I salute you for bringing the new fresh air to the Department, and I am sure that it will prevail down through and into the Office of Surface Mining.

Turning to the National Park Service, my efforts there, of course, have been to acquire as much land for the Park Service as possible in my home State of West Virginia, and in that regard I do invite you down to our State to raft our New River or the Gauley River in the fall. Experience our whitewater rafting and all of its pleasure. I would be glad to work with you and accommodate your schedule in that regard.

We don't have any cactuses in West Virginia—or cacti, I guess like you do in Arizona. We do have real trees. We have manly trees, Mr. Secretary, oaks and maples. [Laughter.]

Mr. RAHALL. And contrary to popular opinion, we do still have topsoil remaining. It has not been all stripped away from past strip mining practices. And we have real dirt too, I might add. Not sand, real dirt. [Laughter.]

Mr. RAHALL. And I might say, Mr. Secretary, if we are fortunate to host you for a whitewater rafting trip that we would only drive by the Greenbrier, which is in my district as well. We would not stop and spend any time there. I did forego the opportunity to open a district office in the Greenbrier, so that means that bomb shelter we have heard so much about is still available, and probably the rent on it is rather cheap these days. So, if you can, perhaps, find some significant historical or other value that we can preserve that shelter for, I am sure that we would welcome that as it is now in my district as well.

In conclusion, Mr. Secretary, I did note your comments in regard to a call for the comprehensive reform of the Mining Law of 1872. I salute your statement and certainly look forward to working with you. We did, as you have noted, come very close in the last session of Congress to passing such a bill out of the House of Representatives, and I hope we can do that in the first hundred days of this administration. The only addition I would make to your comments in that regard is that you could have said, "Let's all pass Rahall's H.R. 322 with no amendments."

Thank you. Thank you, Mr. Chairman.

Secretary BABBITT. Congressman, I accept the invitation to visit West Virginia with pleasure.

Mr. RAHALL. Great.

Secretary BABBITT. It is my wife's home State and I am eager to return.

Mr. RAHALL. Great.

The CHAIRMAN. Mr. Rahall's other job in this committee has been for the Board of Tourism for West Virginia, but we won't get into that.

Mrs. Vucanovich?

STATEMENT OF HON. BARBARA F. VUCANOVICH, A REP-RESENTATIVE IN CONGRESS FROM THE STATE OF NEVADA

Mrs. VUCANOVICH. Thank you very much, Mr. Chairman. Certainly I welcome you, Mr. Secretary, and appreciate your coming. As has been noted, there are some very severe conflicts on this committee, and, of course, Congressman Rahall and I have a few disagreements on the mining law.

I am sure you know that my State is 87 percent federally owned and 68 percent of those are BLM lands alone. So, in effect, you are the landlord of my State. Obviously the things that I think all of us are hoping for is that we will have an opportunity for consultation with you and also with the people that I represent.

You know, I think I sense that we are not going to try to put you on the spot today and ask a lot of very tough questions, but I have to point out to you that there are some really serious concerns that we have. And I noticed in your statement that you said a remaining problem with the mining law is a lack of secure tenure for mineral exploration and, you know, all of us feel that is one of the problems, and you may have a different view of it than we do.

One of the other big concerns that I have is an 8 percent gross royalty fee that is being proposed in both Mr. Rahall's and Mr. Bumper's bills. I see that this would just be an invitation for people in my State to go South, go down to Latin America. Again, I am not asking you for any answers on these questions, but I hope that we will have an opportunity to make our point.

I spoke just yesterday to the American Mining—the Society of Mineral Exploration people in my district. There were probably 3000 people there, and they are all learning to speak Spanish, which gives me a very bad feeling, frankly. They see that they are going to be driven off the public lands in my State.

Obviously, you have heard from other members of the committee about how we feel about multiple use of public lands, and I want to know what that means to you. I think you may have a little different feeling about the multiple use of public lands, and I think when you spoke to the American Mining Congress you talked about your commitment to revise or even remove the multiple-use management of public lands, and this troubles me.

So I guess I am not asking you for any answers at this particular time, but I think that all of the people who are on my side of this aisle who represent a lot of the Western areas are very concerned about these issues. So I just wanted to reiterate them. You have heard them before from me.

Secretary BABBITT. Mrs. Vucanovich, if I may, I would like to at least make brief answers to your questions and assure you that I am not really as scary as you intimate, and suggest that you can certainly appreciate that from our prior history of working together on Nevada issues.

Just a couple of thoughts. I spoke last week also with the American Mining Congress about the reform of the Mining Law of 1872. What I said to the American Mining Congress I would repeat here, and that is that it is my sense that the mining issue has really reached the point at which it ought to be resolved. That with a new administration and with this issue causing an acrimonious dispute year after year after year, this is probably a good time to try to draw it to a conclusion.

What I said to the Mining Congress on the royalty issue was "you should look about this country, listen to the President's budget proposals, reflect upon the commitment that we have all made to try to get a fair return on public resources whether they be water, grazing, mining or timber." Now, perhaps to Mr. Rahall's disappointment, I conspicuously omitted any mention of numbers in my remarks to the American Mining Congress. I thought that was a conspicuous olive branch that I offered my friends in the mining industry, saying to them that Mr. Rahall's proposal in my judgment was not handed down from the Mount, and equally that the American Mining Congress ought to float out some responses or some ideas, and that I am willing to step into that fray and begin the process of seeing if I can facilitate some kind of reasonable solution whatever that may be.

Now, with respect to multiple use, Let me just say again I recognize that multiple use is the law of the land in FLPMA and in the Forest Service legislation. It is equally my view that in many areas multiple use is breaking down because you can't literally mine, have stock, watershed, and increase recreational demands on every acre of land. We really have two choices as urbanization of the West creates these intense demands that can't always be reconciled under the title of multiple use. One is to leave it to me to solve them. I don't know whether that is a scary prospect or not, but I don't really think it is.

Mrs. VUCANOVICH. I won't comment on that.

Secretary BABBITT. The other one is to address it as a legislative issue, and I am obviously open to either pathway.

Mrs. VUCANOVICH. Thank you very much, Mr. Secretary.

The CHAIRMAN. Mr. Vento?

STATEMENT OF HON. BRUCE VENTO, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MINNESOTA

Mr. VENTO. Thank you, Mr. Chairman. And, Governor Babbitt, it is really a joy to hear the words this morning that you spoke, and not simply because I find some agreement with them, but I think really because it is evident to me that you are engaged in the issues, that you understand them. You may well not agree with the policy path that I may lay out or others on the committee, but it is apparent to me in the brief one hour that we spent this morning that you have a good insight and a good start on gaining more insight, an open mind, and, frankly, a lot of empathy and sensitivity to the issues that I have to face as a subcommittee chairman or that Chairman Miller has to face and other members on this committee.

This is very much a committee that by law and by jurisdiction has the responsibility to deal with an enormous number of issues in a given legislative session. That is the way we reserved it because we want to be involved in terms of the issues that affect the people we represent. It is apparent to me from that you have outlined here that you do have and will have a legislative program; that is, something that will affect the BLM, the Park Service, the Bureau of Reclamation, and many others. You know, very often I think in the past, Mr. Chairman and my colleagues, that if you don't have a map as to where you are going, any direction that you take off would seem all right, and we often I think found ourselves responding to crises or responding to other than a plan that was worth coming from the administration. Again, I hope the plan is one that I can agree with. But in any case, I think it puts you a long way ahead of the issues and the problems that you face.

We do have a minefield of problems out there. I think you have touched on some of them. And I look forward to working with you in terms of those issues.

One of the first things that is going to come out, and I wanted to give you an opportunity to respond briefly to this, is the President last night and tomorrow night will specifically—in general last night and specifically tomorrow night is going to put forth a stimulus program, and I am wondering if you can identify for us today any areas that you have had input in with regards to where you are pushing for additional resources as it affects the Department of Interior. Mr. Secretary?

Secretary BABBITT. Mr. Vento, yes, I have been in on that process and advocated departmental needs in two specific areas. The first and most obvious one is parks. I am not at liberty to disclose the final package and I have not even seen the final package which will be released. I am pretty confident that there will be a response to my request that we use the stimulus package to do infrastructure repair in the national park system—facilities, maintenance, and trails. There is a \$6 billion backlog of infrastructure maintenance, repair and construction needs in the national park system. They are, I think, ideally suited to stimulus because many of them are literally ready to go to contract, and the job creation, which is the idea, behind the stimulus concept seems to apply very well here.

The other area where I have had some extensive discussions is with respect to the Indian reservations, where infrastructure is needed in the most basic sense: paving roads, rural airstrips, wastewater treatment, the repair of school facilities. I am confident that we will see a response to those requests precisely because they are large, urgent and unmet.

Mr. VENTO. Well, Mr. Secretary, we appreciate the response and the effort that you have made to advocate for your Department, and obviously the issues that are familiar to the members of the committee. I want to say that your emphasis and your thoughtful

remarks with regard to the parks are very helpful to me, and the discussion about science and the Department is helpful. Very often I think it is assumed if we all have the same information that we are going to come to the same conclusion. I think that that doesn't necessarily follow. But I think having a common base of information, scientific information that is objective, may arm us better to deal with establishing the right policies. I think this is especially true with public lands. I think one of the statements that you have to reconcile is that very often in the past we have had overly optimistic and I might say unscientific data with regards to the amount of timber production, the impact, for instance, of land-use processes in mining, and the list goes on. Without adequate information, you are obviously setting up the Department and the land policy management for shortcomings, and really for harm to our national heritage in many instances, whether it is grazing or other factors that are involved.

So I think one of our jobs is to try to re-establish that. One way to do that is through some authorization of law, perhaps through an initiative, it sounds like, dealing with science. I know specifically that Director Ridenour had a specific objective in terms of cooperative research with universities and parks, which I would suggest that we look at more closely and try to build on that particular initiative, which didn't make it into enactment.

But I think the science emphasis plus the issue of looking at and applying it to specific reauthorization with regards to BLM, then I think the policies that follow whether they are in grazing or timber production would be most appropriate.

Thank you, Mr. Chairman.

The CHAIRMAN. The gentleman's time has expired.

Mr. Williams?

STATEMENT OF HON. PAT WILLIAMS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MONTANA

Mr. WILLIAMS. Thank you, Mr. Chairman. I join in welcoming you, Mr. Secretary. There are a number of things that you will hear about today, some of which I hope to visit with you about at a later time, including water out West and mining and grazing fees, drilling—oil drilling near wilderness areas or in areas that may be proposed for wilderness. But for now let me confine myself to one issue.

We are told, Mr. Secretary, that there is in the world one remaining intact geothermal basin, only one, Yellowstone. All of the others, we are informed, have either been—their geothermal features have either been drilled into by directly piercing the basin or drilled into from the outside of the basin. But in every instance the geothermal basin was either destroyed or seriously denigrated. There is one left, Yellowstone.

There is while we speak this morning, Mr. Secretary, a genuine, real threat to Yellowstone from drilling that is occurring just north of Yellowstone in my State of Montana. Permits for drilling have been asked for in the adjoining State by our friends over in Idaho. This committee in the last Congress overwhelmingly passed legislation which I introduced which would have had the effect of halting all hot water drilling near Yellowstone. It passed the House overwhelmingly after leaving this committee, but unfortunately events and time caught it in the Senate and we were unable to get it to the President's desk.

Since that time, Mr. Secretary, the State of Montana—the Governor and the State of Montana, unfortunately, has allowed another, yet another well to be drilled just north of Yellowstone into the hot water geothermal underpinnings. It is up to the various States under current law. Unless we can do something here, it is up to those various States to simply seal the area around Yellowstone against any further geothermal drilling. But at least one of the Governors, unfortunately mine—in fact, our past two Governors in Montana have not seen fit to act on our request to seal the basin north of Yellowstone.

And so the first national park in America and the only intact geothermal basin on Earth is this morning continuing in jeopardy, and I ask you to place, if you haven't already done so, Mr. Secretary, your attention and the attention of your office on this matter.

Finally, Mr. Secretary, there was division and disagreement within your Department in the prior administration. The National Park Service fairly well reflected the matter as I have just presented it to you, and that is, in their opinion Yellowstone is in serious jeopardy. The United States Geological Survey found that while the park could be in jeopardy with much significant increased drilling it is not in jeopardy today. So your Park Service and the USGS disagree. Unfortunately, former Secretary of Interior and the former head of the National Park Service at his direction both came down on what I believe is on the side of error, which would allow drilling to go forward.

So that combined with Governors who aren't acting dramatically enough I think jeopardizes America's great and first national park, Yellowstone. And again, I hope to have your attention firmly on it.

Secretary BABBITT. Congressman, you have. I support the position of the Park Service. I strongly support your legislation, period. The reason for that is simply this. I am familiar with the USGS study, but when you look at what is at risk and what is to be gained, it seems to me that our responsibility is to weigh in on the side of saying any uncertainty in this case is too much uncertainty.

Furthermore, it is my view that when a national park is set aside from public lands, like Yellowstone, that there is an implicit reservation of the water rights that are necessary for the purpose of that park, and I have just got to tell you that central to the creation of that park was the geothermal and geyser system, and I believe that carries with it the implicit direction of this Congress, to me, to take the steps necessary to assert the Federal interest, whether that be in the courts or whether it be in support of your legislation.

So, with all deference to the USGS—I believe in the quality of their science—I reach a different judgment. The risk is too great in this case to allow that drilling to go forward if we can possibly close the basin until such time as we can say absolutely with 100 percent certainty that there is no risk.

Mr. WILLIAMS. Well, that is unequivocal, Mr. Secretary, and we are very appreciative of having your authority on our side. Thank you very much.

The CHAIRMAN. Mr. Thomas.

STATEMENT OF HON. CRAIG THOMAS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF WYOMING

Mr. THOMAS. Thank you, Mr. Chairman. Welcome, Mr. Secretary. I am pleased to have a Westerner in this position, and I know that we share some of our concerns about public land States.

I am going to do it a little differently. I do have several questions, and I certainly don't expect detailed answers but I would like a response. For example, you mentioned, and I am pleased that you did, the idea of trading or exchanging some land. What would you think we could do to increase the possibility of a no net gain policy, a trading and blocking up of parcels? We talk about that a great deal but there are obstacles to that, like cultural resource reviews and so on. What could we do to actually, when we acquire needed Federal lands and there are those occasions, why can't we exchange or trade or indeed sell?

Secretary BABBITT. Mr. Congressman, I believe that the exchange vehicle has not been adequately utilized for a couple of reasons. First of all, back in the early 1980s the Department decentralized authority to, I think, an unwise extreme. Now, in most cases land exchanges will involve the BLM land base because that is where most of the public domain land is.

Mr. THOMAS. Yes.

Secretary BABBITT. For whatever reason, the Department in the 1980s spun off that function to State BLM managers with no departmental review at all. What happened in that process were some very good trades, and also some abuses; As is too often the case, perhaps properly so, this committee and others focused on some genuine abuses which I believe were the product of the lack of review at the departmental level. And it seems to me that my task now is to see if I can maintain the spontaneity of the process subject to adequate appraisals and to departmental review.

Now, this committee has passed legislation suggesting that kind of balance. My understanding is the regulations have not been implemented, and my first goal here will be to see if we can get out some regulations implementing the legislation, which will say to State managers we favor the use of land exchanges to get rid of inholdings, to block up holdings as appropriate for management, to make additions to the national park system, and to set aside BLM conservation areas like the San Pedro Conservation Area. We encourage those initiatives. We will review and control them at the national level to make sure that the trades meet priority needs of the Department, the National Park Service and the public lands system, that the appraisals are adequate, and that the trades are thereby a reflection of congressionally mandated policy and there are no abuses taking place.

Mr. THOMAS. Thank you. I appreciate it. A couple other quick ones.

When you mentioned ecosystems and jurisdictional problems, that sounds a little like buffer zones. Are you concerned about takings—restricting the use of private land and resulting in taking of private property?

Secretary BABBITT. Well, I wasn't really talking about crossing jurisdictional lines talking about buffer zones. What I am saying and kind of going back to some of the other questions is that if we are going to do a good job of managing public land and avoiding the crises posed by repeated 11th hour listings, we are going to have to manage the Endangered Species Act proactively by anticipating the problem while we still have flexibility to manage the problem without impacting private land rights.

If we do this in the right way, it ought to be possible to devise habitat conservation plans and recovery plans and management alternatives that impact principally the public land base rather than freezing, impacting or otherwise affecting private land rights.

Now, in my judgment, the only way we can do this is to make a much more sophisticated effort to gather information, to do the biological studies, and to do what is known in the trade as gap analysis—it is the process of looking at all the information in the ecosystem to see where the indicator species are, whether or not they are in trouble, and analyze the kinds of changes that can be made. Those kinds of analyses can't be done by the national park system for the national park system, by the BLM for BLM lands, by Fish and Wildlife Service for fish and wildlife lands, by Reclamation for reclamation lands, because they are ecosystem issues which transcend those lines on the map. The issue that we are now studying and that I will surely bring back to this committee is how it is we can do the necessary surveys, research, and data gathering on a systemwide basis to spot the problems, to find the hot spots, and to manage to avoid unnecessary impacts on private land as well as to solve the problem.

Mr. THOMAS. Thank you. Just one final question. I understand the administration will likely come forward with an energy tax of some kind, possibly a Btu tax. Have you had input into how that would impact and affect the production of coal on public lands and public land States?

Secretary BABBITT. The issues that relate to an energy-type tax have been extensively discussed. It is one area where I can assure you that everyone who is potentially affected whether it be a Btu tax, a carbon tax, an energy tax, whatever, I think I can assure you that the issues have been thoroughly discussed.

Mr. THOMAS. Thank you very much.

The CHAIRMAN. Let the chair just say that the Secretary is fully prepared, and it is the purpose of this hearing, to answer questions as he just demonstrated. He is here to respond. What I wasn't going to make the Secretary sit through was 2 hours of opening statements and then 2 hours of questioning. You get your choice. You can make an opening statement or you can ask the Secretary questions. The Secretary came here explicitly to answer questions. But the members certainly should feel free to ask questions or to inform the Secretary of concerns they have on various topics. That is the purpose of this hearing. We just weren't going to go through the old ritual where everybody here had to sit around for several hours while we engaged in opening statements and then asked for a second bid. To the extent that the Secretary will have time, if members are still interested, we will have a second round of questioning for members.

Mr. de Lugo.

Mr. DE LŪGO. Thank you very much, Mr. Chairman. I hope to get all—everything in in the first round.

The CHAIRMAN. You have got 5 minutes. Go.

STATEMENT OF HON. RON DE LUGO, A DELEGATE IN CONGRESS FROM THE VIRGIN ISLANDS

Mr. DE LUGO. All right. Mr. Chairman, I certainly want to associate myself with the statement of the gentleman from Massachusetts, Mr. Markey. I think that the President has certainly made the right choice here in our Secretary, and we in the territories and commonwealths have high hopes for his personal attention.

And let me say that in your prepared statement, Mr. Secretary, I was encouraged by your statement which says "I'm committed to being personally involved in addressing the challenges of the territories. Many of them require an interagency approach. I want Interior to play a lead role in coordinating all agencies involved." It recognized the primary problem in making policy affecting the insular areas.

My staff prepared some questions, which I am not going to ask, but I will make reference to them.

They wanted me to ask about the President's tax program, saying that there is a possibility that there will be a change in the tax incentive for investment in the insular areas, and what role is the Interior Department playing in that, also what role is the Interior Department playing in the development of the health program that is presently under way since the insular areas are currently treated in an inadequate way under Medicaid.

Well, you and I know that at the present time these issues are not on Interior's agenda. For that reason, I have drafted and introduced legislation, which I hope that you will work with me on, to ensure that the insular areas are considered in Executive Branch policy-making. I hope to have hearings on it very shortly.

Mr. Secretary, I want to raise another item, something that is of great concern to my district, and it is something that we in this committee spent many, many years on: the disposition of Water Island in the Virgin Islands. This is a five-hundred-acre island sitting in the harbor of St. Thomas.

We in the insular areas are very sensitive when it comes to land because there is so little of it when you live on an island. Water Island is a Federally owned island but, should have been turned over to the Virgin Islands at the time that the Submarine Bases on St. Thomas and other Federal land was turned over back in the fifties and sixties to help the local government develop and meet its new responsibilities, replacing direct Federal control. It was not, however, because of a lease that had been entered into.

The lease on Water Island ended in December of last year, and at the time that the lease was winding down both the House committee and the Senate committee were working closely with Interior saying that we want you to make it possible for those who built homes to get title to their land but do not want you to sell land that is unimproved. We wanted to retain as much of the unimproved land as possible for public purposes.

In the eleventh hour, we learned that Interior was taking another course, offering all of the land, both unimproved and improved, for sale at a very attractive price, offering Federal financing for it. So, a letter was written by this chairman of the subcommittee concerned and the chairman on the Senate side asking the Secretary not to move forward. We urged that no contracts be signed and all negotiations cease with respect to the sale of such undeveloped property. But two days before the end of the Bush administration, contracts were entered into.

Mr. Secretary, I wrote a letter to you on January 27 asking that the Department take no further action on the sales until you had a chance to completely review this policy. So I now ask is it your plan, Mr. Secretary, to review the matter regarding Water Island?

Secretary BABBITT. Mr. de Lugo, it certainly is. I am not sure whether there is much left to review. That is, it may in fact be that the process of spinning that land off was effectively accomplished. It is my intent to hold the status quo, whatever that is, and to make a thorough review.

The CHAIRMAN. Mr. Duncan.

STATEMENT OF HON. JOHN J. DUNCAN, JR., A REPRESENTA-TIVE IN CONGRESS FROM THE STATE OF TENNESSEE

Mr. DUNCAN. Thank you, Mr. Chairman.

Mr. Secretary, I too would like to thank you for being here this morning. There are several things that I could ask you about, but I'll try to be very brief and just mention one or two.

First of all, we imported some \$50 billion worth of oil into this country last year and are continuing to do that. That causes a tremendous problem in our balance of payments. If we were producing that oil domestically, it would create several million jobs, and not fast food jobs but oil industry jobs. President Clinton has said he wants to create new jobs.

What I am wondering about, sir: I know that you are going to try to encourage conservation, but even the most politically liberal among us seem unwilling to give up their cars, and we apparently will continue for many years to come to need a tremendous amount of oil. What I am wondering about: I would hope that you would at least give consideration to some development of new sources of oil for this country domestically. Specifically, I would like to see you give some consideration to some environmentally safe drilling in the Arctic Wildlife Refuge.

I am told that of the 19 million acres in the Arctic Wildlife Refuge, if we could explore or drill for oil in less than 1 percent of that 19 million acres, that there is a tremendous amount of oil there, and I think it would help our country; 19 million acres is a lot of acres.

I have the bulk of the Great Smoky Mountains National Park in my district, which is the most heavily visited National Park in the country, and its total acreage is, I think, 565,000 acres. So that is something I would like to see you give consideration to, to help our economy and help the poor and working people of this country. Secondly, Mrs. Vucanovich mentioned a few minutes ago that her State was 87 percent Federally owned. The Grace Commission just a few years ago recommended or determined that this country could raise hundreds of millions of dollars, and perhaps even billions of dollars, by selling a substantial portion of our public lands, and we are not talking about our National Parks here now.

You mentioned a few minutes ago that the National Parks have a \$6 billion backlog in needed repairs and maintenance. Would you be willing to give consideration to selling some of our public lands and putting them on the tax rolls and in private hands and using those funds to help defray the costs to repair and bring up to standard some of our National Parks?

Secretary BABBITT. Mr. Congressman, the answer is no. I don't think there is public support for doing that. I think it would be ill advised. I think it is contrary to the will of this Congress expressed in the Federal Land Policy and Management Act, and I personally have never supported it during my time as governor of Arizona, and I don't intend to during my tenure as Secretary of the Interior.

Mr. DUNCAN. All right. Thank you very much.

The CHAIRMAN. Mr. Gejdenson.

STATEMENT OF HON. SAM GEJDENSON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CONNECTICUT

Mr. GEJDENSON. You know, there is an old term around here: "On one hand, and then on the other hand;" it's refreshing not to hear it.

Let me take a little different tack than my colleague and say that for those of us in the east coast, if I do have one problem with this continuous array of western Secretaries of the Interior—and I'm sure I won't have any substantive problems with you, sir—but those of us on the east coast always feel a little bit neglected, and we don't mind paying the tax to fund a lot of these programs, but we don't want to be entirely forgotten.

So put me in Rahall's camp of, one, inviting you to my State for a little exposure to eastern Indians and eastern land issues and what-have-you. But for those of us in the east, a lot of our colleagues always talk about wanting to run this country as a business, and then they come forward with proposals that would have us handle it as if it was a liquidation sale.

Now we have got some financial troubles in this country, but I would hope—and I'm confident from your answers—that as Secretary of the Interior you are not going to take future generations' resources and liquidate them for a short buck and a fast buck and leave us in a situation where we have sold off things that ought to be here for future generations.

I am confident and hopeful that as Secretary you will have a serious commitment to Indians in this country. I haven't had time to be on many reservations, but I was out on the Oglala Sioux Reservation, and I thought I was back in the 1930's; we were building homes without running water, without septic systems, it was a disgrace for this country, and we have got to change that. Maybe some of the economic and infrastructure proposals you talked about, investing in the reservations, programs like OPIC to help investment move in there, I think are critical. I think the other thing is that we need to look at the Park Service and heritage corridors, which I'm going to spend a couple of seconds on, to look at it as an economic resource. A big part of the campaign was jobs. This is a jobs issue. This is an attractive destination for the rest of the world to come visit. It helps the economy when foreigners come here and visit our National Parks and our State Parks and spend their dollars here.

In the east, we don't have hundreds of thousands of acres, even the small 500,000-acre patch Mr. Duncan has, in the east. We were developed earlier, we don't have a lot of open space, but the concept of heritage corridors can make a big difference to us. I know that the Department is now looking at coming up with some proposals on it. I think it is a great place for State, local, and Federal partnerships.

In my district, when we started talking about the heritage corridor the people came forward, and these are people that aren't going to get to Alaska and Yellowstone but want to preserve some of our own natural beauty. We have a real opportunity. Connecticut is a State that ranks fiftieth, frankly, in Federal lands, and we know we are not going to change that significantly, but the corridor concept provides the kind of flexibility that can help us all.

So I am thrilled that you are here. I think that the good common sense you exhibited in your previous public service will be carried on. I like your directness. I think that what we need to do is tackle these issues head on, to give people a sense that the Interior Department is fighting for the people of this country, Indians and those of us that came later, and not simply people that want to have—and I still can't figure out how this worked—below-cost sales of timber and minerals where the Federal Government is paying extra money so somebody will take our resources away. You know, for those people to keep talking about running it like a business, it certainly doesn't make a lot of sense.

Help us in the east, don't forget us, and it's great that you are here.

The CHAIRMAN. Mr. Abercrombie.

STATEMENT OF HON. NEIL ABERCROMBIE, A REPRE-SENTATIVE IN CONGRESS FROM THE STATE OF HAWAII

Mr. ABERCROMBIE. Thank you, Mr. Chairman.

Aloha, Mr. Secretary. The people of Hawaii, of course, want to say "Komo mai," "Come and visit us." We would be delighted to have you come and see, for example, the great job that the Park Service has done in Hawaii. I am sure, Mr. Secretary, you hear quite often and have heard already this morning complaints about your Department. I want to be someone who is bringing you some good news about what the Interior Department has been doing. You have among the most dedicated professionals in government service in any Department in the National Park Service, our Volcanoes National Park, over at the City of Refuge on the Big Island.

Some people think that we have National Parks on Oahu itself where Honolulu is. We have no National Park there on the largest island where the most population is, and I would hope that at some point in the future you will have an opportunity to look at a proposal that we have there to preserve the most fragile coastline, one of the most beautiful coastlines in the entire world, and we hope you will have a chance to come and visit us and see that.

You have as well, Mr. Secretary, and you have mentioned it and others have mentioned it today, although it was not a particular emphasis in your remarks—the question of tourism. That is most assuredly, I am sure you agree, a double-edged sword.

Where the National Park System is concerned, where preservation is concerned, where our historical legacy is concerned, for which the Department might have responsibility, obviously we want as many people as possible to see and understand and review and comprehend our history and what advantages we have in our natural resources for which you might have responsibility. But, in turn then, we have to be concerned about how that is preserved, or how we handle it, so that there is not abuse of the land, of the monuments, of the legacy that we have.

But I think we have some experience in Hawaii in that regard with respect to preserving the environment and, at the same time, making a welcome place for visitors.

I think that it is also commendable, and I know that you are concerned about the question of infrastructure. Getting people to and from our national heritage for which you might have responsibility is part not only of the job stimulus program as I understand the President to be offering but something that can have permanent value as we go into the 21st century.

Having said that and, I hope, putting a positive feeling for Hawaii and on behalf of the people of Hawaii in your mind and consciousness of the issues that you face, I do have, as Mr. de Lugo had to bring to your attention, a very unfortunate situation. I have written you a letter. I'm sure you have received an enormous amount of communication.

Just to familiarize you with it, or refamiliarize you with it, I wrote a letter to you on February 4 with respect to an opinion given by the Solicitor of the United States with respect to the trust relationship of Native Hawaiians. You need not expostulate upon that today, but I do want to bring to your attention that I consider it an egregious and outrageous betrayal of the Native Hawaiians to say that there is no trust relationship between the United States and the people who were overthrown 100 years ago this January. A sovereign nation was overthrown with the help of the United States military. A renegade republic was set up, and then, of course, Hawaii was annexed to the United States subsequently to become a territory.

We are, in fact, as you know, Mr. Secretary, the last State in the Union, only 33 years old. We do have, as I indicated, a rainbow of people who have served this Nation well, who have a Native population and part-Hawaiian population fully deserving of the recognition of a trust relationship that has been well established over the past 100 years.

I hope that you will have an opportunity to review that opinion and to utilize your good offices and such power as you have at your command to reverse that decision. To the degree that there might be some question about it, I am certainly available and our delegation is available. Let me conclude then by reiterating our hope that you have an opportunity to come and see us in person, see the good job that is being done out there and the job that could be done. I hope by extension, in conclusion, Mr. Secretary, that your emphasis on what used to be Insular Affairs Section of our previously named committee—your emphasis on it will continue.

The people of the islands—our island caucus, if you will—on both coasts, in both oceans, are dependent upon your leadership, are willing to work with you, anxious and looking forward to working with you and cooperating in every way to see to it that all of the people of our great Nation and territories are able to contribute to the job that I know the Interior Department wants to do under your leadership.

Thank you very much.

Secretary BABBITT. Congressman, I accept the invitation and will be on your shores in due course.

I am familiar with the two opinions. They were midnight opinions, one applying to the status of the Native Peoples of Hawaii, a second one, equally contentious, applying to the Native Peoples of Alaska. It is not clear to me why the Interior Department, after 12 years in which to reflect upon these issues, felt it necessary to put those opinions in the mail as they were turning the lights out. They do raise some very contentious problems. I am aware of the anger in the Hawaii delegation over those issues and would simply say we will try to deal with them thoughtfully and as responsibly and carefully as we can.

Mr. ABERCROMBIE. Thank you very much, Mr. Secretary; and, Mr. Chairman, thank you.

The CHAIRMAN. Mr. Allard.

STATEMENT OF HON. WAYNE ALLARD, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF COLORADO

Mr. ALLARD. Thank you, Mr. Chairman.

Likewise, as so many of these other Members have done, I would like to thank you for taking time from your busy schedule to be here.

I am from Colorado, upstate—upstream from many of the Representatives on this panel here today, and I just would encourage you to allow me to give some input on many of the issues that you will be having to deal with in your Department.

You did make some general comments on bio-diversity and a systematic approach to our ecological systems, and I am looking forward to see how you are going to further define those. We didn't hear too many details today as far as specific goals—how, when, where, and why—and how those would apply to private property rights and water, and how you are going to manage public lands.

I would hope that you would not take a position of no-risk decision-making which you used in one of your responses here earlier, and in some cases maybe that is appropriate, maybe in that particular instance, but I hope that wouldn't be a general policy.

I also have Rocky Mountain National Park in my district—at least part of it—and the manager of that Park has been making a lot of public statements in the paper locally about how important it is that we concentrate more on the maintenance and operation of our Parks and not the acquisition of more Parkland. It is amazing how more outspoken one becomes after you retire from the Park System. He has identified that as a major, major problem in the National Parks, not being able to stand up to the maintenance and the operation requirements. So I would hope that you would look at that very closely, because I think he is right. I think that we have been acquiring more Parkland without a clear plan of how we are going to pay for that continued operational cost that is going to come with that acquisition.

I would again just thank you for being here and would look forward to an opportunity to working with you.

Secretary BABBITT. Congressman, there are an extraordinary range of issues in Colorado, and let me just say that I am available any time, anywhere, and will arm wrestle all of these issues until we work them out as best we can. I am not anything if not open and available.

Mr. ALLARD. Thank you.

The CHAIRMAN. Unfortunately, very often we find that people become more candid after they do retire from service, and we would hope that that would not be the case.

Secretary BABBITT. Mr. Chairman, I do admit that I have become 2 percent more candid since I have been confirmed. [Laughter.]

The CHAIRMAN. I am more concerned about the people working for the Department, because unfortunately many of them have had to live under gag orders which prevented them from talking to this committee or talking to the public and explaining the kinds of pressures and problems that they encounter out there in the field, and I think Mr. Allard raises an important point, because we know that the park managers and the people involved in the day-to-day operation of those parks are struggling, and hopefully the President's, as you pointed out, will address this backlog of maintenance and the effort needed to maintain these Parks and we will be able to get the straight information from those individuals who work in those parks on a day-to-day basis. That, unfortunately, has not been the case in the past.

Mr. Faleomavaega.

STATEMENT OF HON. ENI F.H. FALEOMAVAEGA, A DELEGATE IN CONGRESS FROM AMERICAN SAMOA

Mr. FALEOMAVAEGA. Thank you, Mr. Chairman.

I, too, would like to offer my personal welcome to you, Mr. Secretary, for being here this morning.

A couple of observations and questions I would like to share with you, if I may. I am one of those five nonvoting delegates whose votes count when it doesn't count, and it doesn't count when it counts. Try to figure that out.

Mr. Secretary, I noticed on your statement you made reference to the Inspector General's Office within the Department of the Interior, and I raised some very serious concerns with the fact that when audits are conducted by the IG from the Inspector General's Office, it seems to be running around as a toothless tiger. It offers recommendations, yet there never seems to be any point where a final decision is made by those involved with the management of the Department, and I would like to share that concern, whether or not part of the management problems we find here—it has been my experience that when the IG conducts audits in whatever area that they are given responsibility, somehow there seems to be no follow-through or no one within the Department making a final decision saying, "This is it; the buck stops here; let's not meddle around with this thing any more; somebody has got to make a decision."

I am very concerned that somehow maybe the IG's Office is not given sufficient authority or some way of enforcement after conducting audits or finding errors or flaws in whatever happens in a given audit. I am speaking specifically of the situation with the Territory of American Samoa and the hearings that were held several months ago. I raised some very serious concerns when questions were raised with those representing the IG's Office that somehow they didn't seem to offer resolutions themselves as to how they could really get to a point within the management hierarchy of the Department of the Interior and then say, "Yes, this is the person to make the final decision; you do it, or the consequences will follow."

I would like to express that concern with the current management of the problems that we have there in the operations of the IG's Office, not that the people involved are bad, but somehow, some way, I find it very difficult to get some finality of answers or results after the IG completes its audit or study or review of whatever was given to them to complete.

Another concern I have, Mr. Secretary, as you have alluded to earlier, is the problem dealing with Native Americans. In the experience of this Member, serving closely and having a close association with the Native American community, I'm sure you agree with me, Mr. Chairman, that for the past how many years we have expended in excess of a billion dollars, more than a billion dollars, for the Native Americans coming out of the authorization and the appropriations process, and yet somehow we continue to find that the Native Americans are still not only at the bottom of the barrel but they are under the bottom of the barrel when it comes to health needs, economics, education; everything you can imagine, Native Americans come the lowest.

Somehow, we are expending a lot of money, but something just seems to be missing over the years that this Member has served. I don't know where the money seems to go, not finding any real resultant effects for the improvements in the needs of the Native Americans.

I also want to thank certainly the chairman and the ranking minority member, Mr. Young, and the fact that we now have Mr. Bill Richardson who will serve as the chairman of the subcommittee that will specifically handle Native American issues and Native Hawaiian issues, and I am very, very grateful to the chairman for taking this initiative and for the leadership in seeing that we now have a forum where Native American issues can be addressed directly.

I hope sincerely, Mr. Secretary, that the assistant secretary you will select will provide more substance, no more runarounds, no more passing the buck. When we raise questions after 12 months of notice or a year, and to come back with those associated with the needs of the Native Americans saying they need more time for study or more time to respond, or not even responding to questions raised on the needs of Native Americans, I think that is a very poor record.

Mr. Secretary, we have had years of commissions and conferences, study after study after study, and somehow we never seem to answer without any equivocation, yes, this is going to be the solution to the problems that Native American people face every year.

I say this also, Mr. Secretary—the same situation for Native Hawaiians, as my colleague from the State of Hawaii alluded to earlier. There are over 200,000 Native Hawaiians living in the State of Hawaii. I don't need to remind you, this year is the one-hundredth year of the illegal and unlawful overthrow of the Hawaiian Kingdom by U.S. Marines. Acting unlawfully and without any authority from this Government, they did this over 100 years ago, and I think that needs to be rectified. This wrong has to be corrected, and I am sure that you will be very sensitive to this issue in the coming weeks and months as it will be brought forth for your information and consideration for the needs of the Native Hawaiians.

One more issue, Mr. Secretary. As the chairman of the Subcommittee on Insular Affairs, Chairman de Lugo, stated earlier, we are going to propose legislation that is going to bring about a very dramatic change and a shift in how the needs of insular areas are going to be handled.

I noticed in your statement that you mentioned something about being the lead agency to appoint an interagency council. I will tell you now, Mr. Secretary, it is an utter failure. We have tried these for how many years? and what happens? These agencies appoint nothing more than desk officers. There were never policy-makers on these interagency councils. So I just want to let you know that it is a poor start if we are really serious about making policy changes that will bring about positive results in the needs of the insular areas.

This insular bill that is going to be introduced is going to be a very dramatic shift in the fact that there is going to be White House involvement, direct involvement of an interagency council comprised of policy-makers from all the different Federal agencies. It is simply to take as much authority away from what you now have, Mr. Secretary, and I am curious what your reaction is going to be to that. I think it is only to propose the fact that the current situation has been an utter failure, and perhaps, Mr. Secretary, you might want to address that.

I don't know if my time is over already, but I want to commend you, Mr. Secretary.

The CHAIRMAN. The time of the gentleman has expired, but the Secretary will be allowed time to respond.

Mr. FALEOMAVAEGA. Thank you, Mr. Chairman.

Mr. Secretary.

Secretary BABBITT. Mr. Congressman, I suspect my initial position will be to oppose the proposal that you just laid on me. That is, having been nominated and confirmed, your response to my 30day stewardship of the territories is to take it all away. Now, that is not to say that I'm not prepared to discuss this issue, and I most certainly do agree that we must find a legislative reorganization which appropriately coordinates and focuses the response of the executive branch of Government.

I must tell you in a spirit of candor that, after 30 days in office, I do prefer the Senate proposal. I am capable of changing my mind, I'm capable of compromising, I'm capable of listening to the wishes of other Federal agencies, and I'm certain that we must and should work something out.

Very briefly with respect to the Native American issues, I applaud the chairman and the committee for establishing the subcommittee under the chairmanship of Congressman Richardson. I think it is imperative that there be on the House side a focus equivalent to the Senate Select Committee, and I think this is indeed a very appropriate way to go.

The Indian issues have suffered from bipartisan neglect across the years in the executive branch. There are, I think, some things now under way. The reorganization and self-governance project that has been driven by legislation is conceptually correct, and there has been some progress made. We need to make a great deal more.

I have worked on the BIA budget issues and I think have made some substantial progress in getting the water settlement monies out of the base line budget of the Bureau of Indian Affairs—at least that has been my objective—so we don't pirate the BIA budget by subtracting water settlements, which is a program which has worked, I think, quite well.

I will be back in due course to the Congress on two issues that I think will merit the attention of Congressman Richardson's subcommittee. One is the much discussed trust fund. We are reviewing that, and I think the beginning question in my mind is: Is the Bureau of Indian Affairs the correct place to do trust fund administration? It is not obvious to me that it is, and I think we need to have a careful look at that.

The second issue that I think will be back before the committee and the subcommittee, inevitably, is the Indian gaming issue. I have stated publicly my view of the appropriateness of Indian gaming. I have equally, however, expressed my concerns that the regulatory functions be located in the right place in the Federal establishment, clearly delineated, and with no confusion about jurisdictional issues; and again ask the question: Is the Bureau of Indian Affairs the correct place? Is the Indian Gaming Commission a workable model? I don't know the answers to those questions, but I think they have to be asked and we need to take another cut at that.

Finally, with respect to the territories, Mr. Congressman, until such time as you strip me of the last vestige of jurisdiction, I am going to be pretty aggressive about fulfilling our responsibilities. I think the major issue right now is the Guam commonwealth negotiation. I have met with Congressman Underwood, Governor Ada, and others, and we are going to get moving to see if we can find a way to get that wrapped up. There will be other issues, and until you turn the lights out I'm going to be there.

Mr. FALEOMAVAEGA. Thank you, Mr. Secretary.

The CHAIRMAN. Mr. Johnson.

STATEMENT OF HON. TIM JOHNSON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF SOUTH DAKOTA

Mr. JOHNSON. Thank you, Mr. Chairman, and I want to join in welcoming you to the committee today, Mr. Secretary. I'm excited, I'm enthused, about your appointment.

The Department of the Interior has an enormous impact on my State of South Dakota from National Parks, to water development, mining reform issues, grass and timber issues, wildlife habitat. Particularly in western South Dakota, it has an enormous impact, and there are a number of issues that I could be discussing at some length with you.

I would like to invite you to South Dakota as well. I am as much a booster as anyone else on the committee, and I think of places, from Mount Rushmore, to Wind Cave, to Jewel Cave, to Spearfish Canyon, to the Badlands, all of them places of enormous beauty that I would like you to see.

But if there were one place that I would like to have you visit in South Dakota, I have to think that perhaps it would be on the Pine Ridge, or on the Rosebud, or on the Cheyenne River, among the most impoverished areas in the entire United States.

I am pleased with your remarks about management of the BIA and Native American issues. I think we can make some real progress. I am concerned that we much more aggressively address the issues of education and economic development and job opportunity and develop greater self-sufficiency for Native American peoples and greater opportunities and choices for Native American peoples than the continuing level of poverty and dependency on the Federal Government that we currently have, and I am looking forward to greater discussion about the management of the Indian trust funds, or the mismanagement of the \$1.7 billion of Indian trust funds.

But today let me ask you just a couple more narrow questions dealing with the Department of the Interior and your Native American responsibilities. One is, there is a great deal of concern in Indian country, and certainly on my part, about your nominee for the head of the Bureau of Indian Affairs, and I am curious to know what criteria you are using and what time frame you see for designating a nominee to head the BIA.

Secondly, a matter of enormous concern to me is the fiscal year 1994 BIA budget. Who has prepared that budget? Is it the present assistant secretary, a holdover from the previous administration, or are you and the new administration, in fact, putting together this budget and the priorities contained therein?

Secretary BABBITT. Mr. Johnson, with respect to the issue of who will lead the Bureau of Indian Affairs, I have taken my guidance from the joint reorganization document that has been prepared in consultation with the tribes in this interactive process, mandated by legislation. That document makes a very interesting and, I think, absolutely correct distinction. It says, remember, there are two positions in the hierarchy of the Bureau of Indian Affairs, the first one the assistant secretary for Indian affairs and then, beneath that one, the commission. The document draws a sharp distinction. It says the assistant secretary should be responsible for policy, should be in charge of congressional relations, be on the Hill working the budget, and handling the interagency issues; while the Commissioner of the Bureau of Indian Affairs should be managing on a day-to-day basis the bureaucracy and trying to really get it up to par.

I have interviewed and am continuing to interview a wide variety of applicants for these positions. I have not made a recommendation to the President for two reasons. One, I want to be especially sensitive to the process requirements out in Indian country, and I simply have not finished the process of consulting. That will be underway again next week in structured meetings with various Native American groups, with leaders, and I want to make certain that I have heard from everyone.

Secondly, I tend to see the two positions are requiring a simultaneous recommendation to the President of a team that matches that description I just made.

Now, with respect to the budget, who proposed it? I did. The budget that the President will make public in due course is a remarkable document. I suspect it is the first time in the history of this Nation that a President, a new President, has taken office and in 30 days presented what is really a grounds-up, brand new, block-by-block budget. It is a testimonial to his determination to deal seriously and thoughtfully with the fiscal issues, with the budget crisis that faces this country, the need for some truth, and a strong and courageous approach.

Mr. JOHNSON. If I could follow up, Mr. Secretary, could, again, you apprise us of any kind of time frame for the designation of a commissioner and assistant secretary?

Secretary BABBITT. I am not prepared to do that at this point. I will certainly make my recommendations in the near future, but, again, those have to be vetted, and it is the President's prerogative to make those announcements.

Mr. JOHNSON. Thank you, Mr. Chairman.

The CHAIRMAN. Mr. Calvert.

STATEMENT OF HON. KEN CALVERT, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. CALVERT. Thank you, Mr. Chairman.

Welcome, Mr. Secretary. I would like to welcome you to my home area, southern California. Many of the issues that we discussed this morning center around my congressional district, which is Riverside County, California. The Endangered Species Act is a great concern to us and of great expense. The Stevens kangaroo rat, you may be familiar with, is from my area. We have spent over \$25 million locally so far in setting aside habitat for the Stevens kangaroo rat. At the same time, it has habitat for the potential listing of the black-tailed gnat-catcher, which is also of great concern to our area.

Right now, we are unable to put together a reasonable multi-species habitat plan because of the Fish and Wildlife's position on a species-by-species approach toward habitat conservation. I am hoping that we can work closely together, that we can change that attitude and put together a workable multi-species habitat conservation plan and hopefully, since this is a Federal mandate, since it is taking many dollars away from us locally, that the Federal Government would step up and recognize its responsibility under the Endangered Species Act with some Federal assistance.

Secretary BABBITT. Congressman, I think the multi-species habitat conservation approach is absolutely conceptually correct. The California State agencies are working on those concepts, as you are well aware, and my message to them has been that I think it is absolutely conceptually correct and we will do everything we can.

There is yet, as you know, another new crisis with the California gnat catcher—I guess that is in Orange County—again illustrating the problems created by letting these listing decisions just drift without becoming proactive.

So the answer is, I think we are talking on the same track.

Mr. CALVERT. I thank you again. We are trying to approach this in Riverside County head on. We are looking forward to working with your agency to resolve this issue and other species that are coming up also.

The other issue, of course, is the California desert. I am one of the Congressmen from the south, so it is certainly a significant issue from where I am from, especially in the Mojave section. I don't know if you have had the opportunity to review this and to go back down to California and to talk to the people in the desert on the potential impact it might have on the area, especially the mining industry.

We are hopeful that any act will take into account the future mining that may take place in the desert, and if it is reasonable and works within the environmental rules and regulations that we must live by, that you would have an open mind to future mining in the desert.

Secretary BABBITT. Congressman, I am familiar with the East Mojave proposal. I will be taking a trip in the next two weeks with Senator Feinstein to have an on-the-ground look. You are invited. Are you Republican or Democrat?

Mr. CALVERT. Republican.

Secretary BABBITT. You are still invited. [Laughter.]

Seriously, I have looked rather carefully into that issue, and I think it really merits a little bit of on-the-ground discussion. Anyone who is from the California, or any other, delegation who wants to join me out there, I would be delighted to argue it on the ground with you.

Mr. CALVERT. I will take it up with you. Thank you.

Secretary BABBITT. Okay.

Mr. CALVERT. Thank you, Mr. Chairman.

The CHAIRMAN. Mr. LaRocco.

STATEMENT OF HON. LARRY LAROCCO, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF IDAHO

Mr. LAROCCO. Thank you, Mr. Chairman.

Mr. Secretary, let me extend my warm personal welcome to you today and also extend the greetings and the warm personal welcome of your Democratic predecessor, Governor Cecil Andrus, who held your position a couple of terms ago. I am not only impressed with your intellectual capability, Mr. Secretary, but of your love of natural resources and your understanding of our heritage and your roots as a westerner. But what really impresses me is your desire to govern, because, quite frankly, Mr. Secretary, I think you are head of the cleanup crew of our natural resources in the United States, and I think I can say that with all honesty.

As you know, I come from Idaho, where the Federal Government owns 64 percent of our State; we are truly a public lands State. We could spend the rest of the afternoon talking about issues that confront my great district and the State, but let me be quick and put some things on the radar screen for you, if I may.

First of all, on February 23 the Department of the Interior will be asked to testify at a hearing on the Birds of Prey National Conservation Area, a piece of legislation that I authored and passed through this House last year. Senator Craig and I are in total agreement on the language of the bill as now constructed, and I hope that the Department of the Interior could support that bill.

Furthermore, on the classification of 112 miles of the Lower Salmon River, which will complete the longest free-flowing stretch of river in the United States, we have run into some difficulties in working with eminent domain questions, and I hope that the Department of the Interior would work with the Idaho delegation to see if we can resolve this sticky problem and get this behind us. I have been interested in this issue for many years, and even Senator Church, when he was in office, wanted to classify this Lower Salmon area.

We have a very sticky problem with the Mountain Home Air Force Base. We need an ecologically sound training range out there to accommodate the new composite wing which is being established for Mountain Home, and the BLM will be very involved in that, and please note that I emphasize an ecologically sound proposal that we need to work on.

You had mentioned earlier that you are interested in more National Parks. I would say that we should not waste a lot of effort in trying to make the Hell's Canyon National Recreation Area a National Park; I think that would just be a waste of time. I have very little enthusiasm for that, and I think that this committee will hold oversight hearings on the HCNRA to see how NRA's are working in the United States.

At a more informal gathering, you asked me the other day who was going to author the Idaho wilderness bill. I said, quite frankly, I was. We are starting that process, and the whole Idaho delegation is working on that, but we will not involve BLM or Department of the Interior lands, but I would presume that you would be consulted, and I would ask for your cooperation on that.

You had said earlier in your opening remarks, which I appreciated, that an ecosystem approach could avoid the endless speciesby-species approach, Mr. Secretary, and I would like to introduce you to an area in Idaho where past practices have led us to such political conflicts that I think it warrants your personal attention.

I would like to introduce you to Boundary County, Idaho, which is 78 percent owned by the Federal Government, where we have critical habitat set aside for the woodland caribou, the grizzly bear, and also the Kootenai sturgeon is about to be listed under the ESA. The local commissioners up there, because of the lack of coordination and exactly the points that you have brought to this committee, have now turned to the Mountain States Legal Foundation to resolve their problems, if you can imagine, to wage war on the Federal Government in my own backyard in my district, and we need this type of approach that you have articulated today to resolve these issues, not to have the Fish and Wildlife Service come in and declare critical habitat and then have the forest industry say, "Oh, that's going to cost us 4,000 jobs," and let that go unanswered. This has raised tremendous conflicts up there and a great deal of dysfunctionality within our own citizens of Idaho, and I think you can help.

Also, I don't know if you want to answer this question, but the Department of the Interior has pursued it, an incentive-based grazing fee system, and at some point I would like to know if you are going to pursue that. Quite frankly, I don't much like Congressman Synar's approach, it is a sledge hammer, and we just don't need it out in Idaho. A gradual fee increase with an incentive-based system for good stewardship would be appreciated. If we are going to have any change, this would be appreciated, Mr. Secretary.

Finally, you had said earlier that there was an automatic reserved water right that took effect for Yellowstone Park when that was set aside. If you feel the same way about wilderness, then it may indicate a willingness on your part to overturn the previous administration's Department solicitor's opinion that water rights would have to be specifically reserved. That has been a sticky problem for western States as we have put together wilderness bills.

A bit of a statement, a couple of questions, and I just welcome you to this committee. It is refreshing to see you here, and I wish you good luck.

Secretary BABBITT. Mr. LaRocco, that is an interesting invitation to go on the record with respect to all of those questions. Let me just skip across briefly.

With respect to grazing fees, again, I think if you listen carefully and if the western grazing rights holders listen carefully, I have signaled my willingness to discuss this in an incentive-based system and have repeatedly said my primary concern is the stewardship condition of the land, and I believe that the linkage between the two bears some careful discussion.

With respect to reserved water rights, I would carefully limit my response to Mr. Williams by noting that I was talking about reserved water rights in National Parks. I recognize the difficulty of the wilderness designation issue, and I guess I would prefer to save that for another day.

Lastly, I certainly support the Birds of Prey National Conservation Area. I underline that because I think it is important as we talk about recreation in the United States we remember that we have not just a National Park System but increasingly the opportunity to designate public lands for recreational use. We have had some, I think, very interesting examples of that coming out of this committee and others in recent years. I think they have been tremendously successful. The United States Forest Service now administers a National Monument at Mount St. Helens. There is no reason why we shouldn't invite the United States Forest Service across all these jurisdictional lines into a large role in the stewardship and recreational use of their land.

The same, I think, is especially true of the Bureau of Land Management, and I would refer again to the San Pedro Conservation Area, which is really a spectacular piece of riparian scenery which 10 years ago was in private hands faced with the possibility of development which, as a result of the efforts of this committee and others, was brought, through a land exchange, into designated statutory use primarily for environmental and recreational values.

I view the Birds of Prey NCA as another nice example which should cause all of us to reflect on how it is we invite the Bureau of Land Management into this 21st century view of a use of public lands, and I think they will respond enthusiastically if we can create an environment in which it is not automatically assumed that every time there is an interesting project that they are the land base out of which an area is carved and given to some other land management agency.

I think many of those concepts apply to the Hell's Canyons issue too. I don't think it automatically has to follow in all cases that the primary designation of a piece of land for special environmental care, aesthetic, and recreation values, automatically means the Park Service designation. We ought to have a little competition in this business from the other agencies.

Mr. LAROCCO. Thank you, Mr. Secretary, and thank you, Mr. Chairman.

The CHAIRMAN. Mr. DeFazio.

STATEMENT OF HON. PETER DEFAZIO, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OREGON

Mr. DEFAZIO. Thank you, Mr. Chairman.

Next time I'll try and make the airline do better so I can get here sooner.

Mr. Secretary, you have certainly heard a lot, and I think what you are hearing is sort of pent up 12 years—although I have only been here six—of frustration, at least on this side of the aisle, with, you know, lights on, nobody is home at the top. In fact, I even heard Cy Jamison on the radio the other day saying he shouldn't have invoked the God Squad for those—whatever he got—six timber sales in Oregon, which ultimately led to an extraordinarily broad injunction because he upset the judge so much and destroyed the cooperation and coordination between the two agencies. Cy's history, thankfully.

But that leads me to the next question, which is, when might we expect to have assistant secretaries and a BLM director?

Secretary BABBITT. Congressman, I think in the fairly near future. [Laughter.]

Mr. DEFAZIO. That is definitive. Thank you, Mr. Secretary. I'll take that home.

If I could, we had the IG in, and we had some rather startling testimony a couple of weeks ago, and some of it was essentially expanding on earlier testimony, and it showed that an investment, for instance, in the case of the BLM, in a few positions—that is, people who are charged with acquiring access to isolated parcels of Federal land—the BLM is a checkerboard in Oregon because the ONC lands were terminated, laid off, reassigned by the last administration, and in fact the IG could document that hundreds of millions of dollars of timber which was mature but not old growth, not under the injunctions, not impacting on the spotted owl situation or old growth forests or critical watersheds or fisheries—that is, timber that is eminently harvestable—was sitting on the stump because there had been no one working in the agency to acquire the needed access. That is going to cost money.

They went on to document a whole host of issues under traditional practices that have been backlogged on the BLM lands in Oregon—timber stand improvement, fertilization, and reforestation—and then, of course, they didn't even get into the other investments that go beyond that—fisheries, watersheds, et cetera.

Given our constraints, do you think you can find a place in your budget to make these investments both that mitigate the environmental economic crisis in the Northwest and, secondly, some of which provide an immediate and dramatic return to the Federal Government, such as hiring five people to acquire access to harvest several hundred million dollars' worth of timber where the Federal Government gets half of the returns?

Secretary BABBITT. Congressman, I have looked very carefully at the ONC land maintenance, investment, reforesting, infrastructure, and the upgrading of roads for recreational access issues in the budget. The President's budget will be out in short order, and I will leave it to you to judge the quality of my presentation in the budget.

Mr. DEFAZIO. Okay. But you are aware of the problem, and we can have further discussions. I appreciate that.

Secretary BABBITT. I am, and I think it is recognized in the administration that the ultimate resolution of the timber issues in the Northwest are in some measure going to depend upon making a serious commitment to these kinds of issues.

Mr. DEFAZIO. I appreciate that. That is a dramatic change from past testimony we have had, and I will look forward to working with you on that.

Could I ask about something else where I will probably get a definitive "soon/maybe?" That would be the forest summit, so called. Do we have any time line on it, an announcement for that? Do we have a time line on announcing a time line?

Secretary BABBITT. I think the time line on announcing the time line is up to the President.

This issue is being discussed very intensely in the administration. It is not a single agency issue, and I am confident that in the foreseeable future you will see a timetable for beginning that process, but I stress that it is not going to be led by the Interior Department or by any one agency. The President will make those decisions, I think, and stipulate the nature of the process and how it will be led, I think quite likely, from the administration rather than any one agency.

Mr. DEFAZIO. Thank you, Mr. Secretary.

But one thing you said there I think is key, and that is in not a single agency, and I am very cognizant of that.

Under your jurisdiction, we have both the Bureau of Land and Management and Fish and Wildlife, where we have seen the spectacle in the last two administrations, rather extraordinary spectacle, of them suing one another. Can we expect that you will perhaps sit down with the heads of these agencies and we can move ahead in a more cooperative manner?

I will give you an example. The Forest Service is working on a plan under a judicial mandate, as I alluded earlier. The judge put forward a rather injunction, and in part it is believed because of Mr. Jamison's God Squad tweaking of the nose of the judge, and that is water under the bridge, but the Forest Service is looking at developing two plans, one which would be if the BLM coordinates and cooperates with them because a successful recovery plan for the spotted owl and an ecosystem-based approach would require that the two agencies integrate their planning, which they haven't traditionally, and one which would be, the Forest Service can go forward on its own with no change in BLM practices, but that means a much, much bigger hit on Forest Service lands.

Would you encourage the cooperation and coordination of Fish and Wildlife, Forest Service—I know that is beyond your jurisdiction, but at least you have Fish and Wildlife and BLM, and hopefully you can open a dialogue with Secretary Espy and bring the Forest Service into a more cooperative arrangement with your agencies.

Secretary BABBITT. Mr. DeFazio, I have had occasion to meet already with Secretary Espy to discuss these issues, and I have also met with Dale Robertson, the head of the Forest Service. I was really gratified by the response which, coming from my fellow Secretary in a new administration, was, I think, predictable, but also the response from the Forest Service. I think they were genuinely grateful to contemplate the idea that we would all be working together and that there would be an administration policy that could give direction to the Forest Service, BLM, Fish and Wildlife, EPA, and all of the other agencies.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DEFAZIO. That is the end. Thank you. Thank you, Mr. Chairman.

The CHAIRMAN. Mr. McInnis.

STATEMENT OF HON. SCOTT McINNIS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF COLORADO

Mr. McINNIS. Thank you, Mr. Chairman.

As you know, I think, Mr. Secretary, Colorado is the only State in the Union where all of our water runs out of the State and we have no water that runs into the State. It is an arid region, and, as you know, from your previous comments and certainly from your previous history as the governor of Arizona, there is a great deal of dissent in regard to whether or not the Federal Government will make an attempt to acquire water rights within the State water law that is applicable to that State—i.e., the State of Colorado.

So my question would be, what is your commitment in regard to that acquisition and, more specifically, acquisition of water rights for wilderness areas and so on through existing State laws which, as you know, in the State of Colorado is unique as to other States because of our particular water problems.

Secretary BABBITT. Congressman, I think in summary I would say that this administration and certainly I respect the general primacy of State water law in the West. It isn't quite that simple because it is clearly established in law, and I think the Federal Government has indeed a fiduciary obligation to assert some kinds of overriding Federal water rights.

For example, I don't think anyone would challenge our objection to assert the primacy of Indian water rights, on the primacy of reserved water rights for units of the National Park System which were established for a purpose that is related to the water. The example I gave was Yellowstone; there are many others.

It seems to me that the specific issue in Colorado right now is the nature of water rights in the upcoming Colorado forest wilderness bill. My judgment is that all of the parties are quite close, both Federal and State parties, and members of the Colorado delegation.

So my own sense is that this is not going to be—after all these years of hassling, that we are really getting very close to specific agreement in the case of Colorado, and I don't have any hand grenade to toss into that process; I am quite content with what is going on, as I should be, because I would underline the fact that the forest wilderness bill is not even part of my jurisdiction. So you may view my comments as either reassuring or gratuitous or both.

Mr. MCINNIS. And, on that point, Mr. Chairman, your cooperation in that regard is appreciated. I know you have put some effort recently into assisting us with that.

Let me ask one final question, Mr. Secretary, and that is your position in regard to the Animas La Plata Project and coming back to what you said, the primacy of Indian water rights. As you know, that is a project that we have been very committed to in Colorado, and I would like to know what your position is in regard to the continuation of the construction of that project?

Secretary BABBITT. I am committed to continuing to try to resolve the issues that stand in the way of the Animas La Plata Project. It has been authorized by Congress. It has been funded at a preliminary level, and I believe you will see a continuing commitment in the Department's budget for the coming year.

Mr. MCINNIS. Is that to say that you are not opposed to the project? I am not clear on your answer there.

Secretary BABBITT. I am not opposed to the Animas La Plata Project.

Mr. McINNIS. Thank you, Mr. Secretary, and I appreciate you showing up today.

The CHAIRMAN. Ms. English.

STATEMENT OF HON. KARAN ENGLISH, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ARIZONA

Ms. ENGLISH. I am really looking forward to some changes, including the seniority system for asking questions. The CHAIRMAN. I hate to inform you, but this is a dramatic

The CHAIRMAN. I hate to inform you, but this is a dramatic change. [Laughter.]

Secretary BABBITT. Mr. Chairman, I endorse the position of the junior Congresswoman from Arizona.

The CHAIRMAN. First in the seat, first in time.

Ms. ENGLISH. I have four issues that I would like you to respond to now or at some other time but would just like to get them on the table for discussion. The first is the serious lack of focus and expertise within BIA on natural resource management, technical assistance, and assisting tribes in formulating environmental policy for both economic development and long-term sustainability. Is there a possibility of addressing these shortcomings in BIA so that tribal lands receive the same protection as public lands off the reservations?

The second area is ecosystem management. I do appreciate, and I am sure you know of my fondness for the ecosystem approach to natural resource management on our public lands I would like to encourage you to open up the lines of communication and assert pressure, if possible, on the Department of Defense to begin a more responsible stewardship of the public lands that they have misused in some cases.

As we continue the process of reducing military spending, I think that it is only fair that the Department of Defense meet their responsibility of environmental clean-up, protection, and resource management that is prudent on all our public lands.

A third area has to do with the Navajo-Hopi land dispute. I again encourage you to appoint someone to facilitate a process that has far-reaching effects to all of us and resolve a 111-year-old dispute that appears, really, to have a small window of opportunity. We need your assistance in resolving this conflict, and I think we need it very quickly.

The last area has to do with the Central Arizona Project, which is an ongoing, costly, but necessary infrastructure project in Arizona. We will again need some creative solutions to addressing both the financial and the environmental impact of this project, both at the State and Federal level I ask for your assistance in all of these areas and probably will have more in very short order.

Thank you for being here.

Secretary BABBITT. Ms. English, answering your last question first, Chairman Miller is watching me intently against the possibility of any more orders moving the completion date even further into the future, and you and I are both dependent on his goodwill, and I think that means that you and I both must reaffirm to the world that Arizona has a repayment obligation, and whatever the restructuring that may go on and whatever my administrative role in that, the bottom line, I'm afraid, is that the era of reclamation projects being restructured in this Congress to waive interest payments, stretch out repayment dates—in effect, postpone the obligation—are probably gone.

Now if the chairman wants to contradict me—OK.

With respect to the Navajo-Hopi dispute, I have recused myself 100 percent from that issue and will, as soon as my Senate-confirmed appointees are on board, delegate my responsibility to one of the assistant secretaries.

With respect to the ecosystem approach and the role of the Department of Defense, the cleanup issues are going to be very tough. The other set of issues are the Section 7 endangered species consultation issues which require, in my judgment, the Department of Defense to manage its lands by the same sensitive standards that BLM or any other land management agency does.

I think they have made a lot of progress under Secretary Cheney from zero compliance to taking it quite seriously, and I think that under Secretary Aspin we can expect that progress to continue.

And, finally, I will continue to have a careful look at the natural resource administration of the Indian land base because, again, Indian reservations are subject to the same Federal laws that govern other lands when it comes to clean water, clean air, and the administration of the Endangered Species Act.

The CHAIRMAN. Mr. Underwood.

STATEMENT OF HON. ROBERT A. UNDERWOOD, A DELEGATE IN CONGRESS FROM GUAM

Mr. UNDERWOOD. Thank you, Mr. Chairman.

Good afternoon, Mr. Secretary. Initially, I would like to thank you for your generous time that you have spent with me personally and people from Guam over the past week or so regarding some issues that we have brought to your attention, and I am very encouraged and I like very much that you have taken the time in your opening statement to make a commitment to being personally involved in addressing the challenges that affect the territories and the insular areas.

I would like to make a couple of points and by way of making those points also ask a couple of questions. One is, as you know, the inspector general for the Department of the Interior has broad authority to enter into the Government of Guam and audit and make comment upon any activity of the Government of Guam, as it has in other insular areas, and this is the kind of activity which is seen in the territories as a remnant of a colonial framework, a colonial mentality, because it would be something that would be consistently resisted in any State or any local jurisdiction.

Interestingly, the line of argument that is given with respect to that particular power is that the income taxes which are paid on Guam are labeled Federal taxes, and so this gives the line authority to the IG to come into and audit the activities of the Government of Guam. Yet curiously, as you perhaps know, earlier in January, when the participation of the delegates was called into question in the Committee of the Whole vote, these taxes were not seen as Federal taxes but were seen as something else and in the interplay between how territories are dealt with and how insular areas, and how definitions are constantly made and reshaped and redefined and it always seems to do so in a way which allows the Federal Government to intrude on the one hand and to keep territorial participation at a minimum on the other.

I just want to bring that issue to your attention and hope that at some point in time we will visit that issue with the Department of the Interior.

Also, the way that this issue will be dealt with—and it was raised earlier by two previous delegates about how, in general, issues pertaining to territories will be dealt with—I am very encouraged, and I want to publicly thank you for the fact that you have made a commitment to deal with the Guam commonwealth issue quickly and with your personal attention, regardless of the fact of what will happen with the reorganization of how territories and insular areas are dealt with.

But I do want to make an additional point in this, and that is that one of the benchmarks by which people in the territory certainly view the Department of the Interior in terms of their commitment to insular areas and insular issues is the participation of people from the territories in the affairs of the Department of the Interior.

I know you have steadfastly throughout the morning not made any statement regarding appointments for assistant secretary, and I understand, although this, of course, is all speculation—I understand that the appointment that will be made will probably not include somebody from the territory, and there is one slot of deputy assistant secretary, and perhaps the other one is going to be eliminated as a result of some cost-cutting strategy.

But there are other positions within the Department of the Interior, and I would like to make a special case and a special plea that during your administration, during your tenure, that you include people from the territories. There are many qualified individuals out there, talented, well educated, who would like an opportunity to help you and help your effort to personally attend to the territories.

Secretary BABBITT. Congressman, I hear you, and I agree with what you are saying, and I will attempt to construct a management team along those lines.

The CHAIRMAN. Mr. Pombo.

STATEMENT OF HON. RICHARD W. POMBO, A REPRESENTA-TIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. POMBO. Good morning.

I am pleased to hear that you are coming out to California in the near future, and I would like to invite you into the northern part of the State, to come into the Central Valley and possibly meet with some of the people that bend my ear from day to day about the issues that concern us.

I represent a big portion of the delta in California, and the delta smelt, and the kid fox, and the Swainson hawk, and a number of other endangered species are contained in my district. But as I was sent here to represent the people of my district, I have a great concern for the property rights and water rights and the effect of Federal actions and legislation on that.

What effort will you make to bring into account the social and economic costs of the Endangered Species Act?

Secretary BABBITT. Mr. Pombo, I believe that the Endangered Species Act requires consideration of those issues, and I will certainly follow the law.

Mr. POMBO. The other question I had dealt with some testimony that we had a couple of weeks ago which, I guess, gets into the whole issue of no net gain of public property, and it dealt with some non-profit groups in land trust that would buy land at a low price and turn around and sell it to the Federal Government at a larger price. How will you work to curtail that as far as the Interior Department?

Secretary BABBITT. Well, I happen to think that the Nature Conservancy and the Trust for Public Lands and other groups have done an extraordinary public service and generally been exemplary in their handling of these issues. I support their efforts and I will continue to do so.

Mr. POMBO. Just so I can follow this, do you believe that it would not be better for the Federal Government to buy the lands directly if it is in the public interest to acquire those lands?

Secretary BABBITT. Well, that obviously depends on the circumstances in each case. I can tell you that during my tenure as Governor of Arizona I frequently encountered situations where the Arizona legislature either did not have the budget, space, or the particular interest in acquiring a parcel of land that the public very much wanted to see preserved and which was slated for development. Again and again these agencies play a very important intermediary role.

Mr. POMBO. Thank you.

The CHAIRMAN. Mr. Barlow?

STATEMENT OF HON. THOMAS J. BARLOW III, A REPRESENTA-TIVE IN CONGRESS FROM THE STATE OF KENTUCKY

Mr. BARLOW. Mr. Secretary, thank you very much for coming down today. I come from western Kentucky, and it is a land where small farms predominate. Agriculture is our biggest industry out there. We have grazing. We have row crops. We do a lot of timbering. And I am particularly concerned, will be concerned going forward with the actions and policies of the Department that undercut the economy of the productive agricultural operations of my small farmers. Grazing fees, where they are subsidized and below the cost that my farmers carry in the way of taxes, in the way of upgrading their grazing lands are something that I am going to be focusing in on very carefully.

Irrigation, water costs which undercut the efforts—well, hardworked-at efforts of farmers to take care of the water on their lands in a proper way in terms of erosion control and groundwater protection. I am going to be looking at the water charges that the Department puts forth in a careful way.

And timber sales, below-cost timber sales. It has come up as a very tough issue for us all to deal with, but the Department of Interior to the extent that they are engaged in below-cost timber sales on BLM lands are undercutting private producers, not just in my western Kentucky region, but throughout the Southeast where small woodlots, privately owned woodlots predominate. And to the extent that these below-cost timber sales in Federal areas continue and have continued for some time, it constitutes a taking, and it is a taking that hurts us and our efforts to do, as has been mentioned today, timber stand improvement, fertilization and reforestation.

I hope that, perhaps, we could consider, the administration might consider moving in an aggressive way on this below-cost timber sale situation, perhaps by executive order raising, quickly raising the minimum costs that are charged. The last time I looked at this it was \$1, \$2 and \$5 per thousand board-feet for timber depending upon the grade, and perhaps we could go to, for the time being, until this is resolved legislatively, a flat fee of \$20 a thousand board-feet, which is very, very low cost. We could move this forward to some legislative resolution by the executive branch taking a forthright approach here.

Secretary BABBITT. Congressman, it is a very interesting set of observations that are not frequently made in this debate, perhaps reflecting the fact that the Southeast is not heavily represented on this committee. But you are dead right. The subsidies to Western resource use are at the expense of other comparable resource producers in other areas of the country.

My sense is that in the 19th century there was probably a valid public rationale for that. The idea was that it was a development subsidy to accelerate the opening of the Western frontier. Well, the Western frontier is open and the logic, it seems to me, is shaky.

Now, in terms of the administration's view of this, in general I can tell you that Mr. Panetta has been unrelenting in his advice at least to the Interior Department that our ability to collect a market return is linked to other considerations in our budget. I can tell you that I think there is going to be substantial pressure from this administration behind the concept that public resources ought to be sold at market value.

Mr. BARLOW. Thank you very much.

The CHAIRMAN. Mr. Lehman?

STATEMENT OF HON. RICHARD H. LEHMAN, A REPRESENTA-TIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. LEHMAN. Thank you very much, Mr. Chairman. Good afternoon, Mr. Secretary. It is a real pleasure to have you here today, and let me first of all commend you for a couple items in your statement.

First of all, the new attitude of the Department toward protection for the California Desert. I am confident that now with your cooperation, and with Senator Feinstein in the Senate, we will be able to solve the remaining issues relatively quickly and get a wilderness bill for California passed that is good for all of us. I think the last remaining significant issue is the status of the East Mojave, and I won't get into the details of that today. I think there will be ample opportunity for us and the Senator to work that out.

Also, thank you for your position on the 1872 Mining Law, which the subcommittee which I chair will hear very soon. Again, I am confident that we can break the logjam there and get a bill that will not just pass this house, but pass the Senate and get to the President's desk as well. We are hoping to do that in very swift fashion.

I am not going to engage in any lengthy discussion today on the implementation of the Miller-Bradley bill, H.R. 429. I am sure you will have an opportunity to look it over. There are going to be many key decisions you are going to have to make with respect to implementing that legislation that will have tremendous impact in California on our economy as well as our environment.

The only thing I wanted to get clarified right now is I understand earlier when I, unfortunately, was not here you made some statement regarding the Delta smelt and possibly listing of it. And I would just like for my own knowledge to clarify what you said.

Secretary BABBITT. Congressman, in response to another question I suggested that the listing of the Delta smelt is all but inevitable. It is either going to be as the result of a court order or the Department acting in advance of a court order. That fact, though, I think has been on the table for some time now.

Mr. LEHMAN. Yes. It was my understanding, and I could wrong that is not impossible—but that there was a decision announced a couple weeks ago that the smelt would not be listed as either threatened or endangered at this time, but rather would be treated as sensitive. Is this information going beyond that revelation?

Secretary BABBITT. Congressman, my reading of the litigation and the science surrounding this issue is that it is not a question of whether, but a question of when.

Mr. LEHMAN. Yes. Let me very quickly move to a few other issues. First of all, I think one of the most important tasks you have is what I would call the depoliticization of the Park Service. What we have seen over the past 12 years has, I think, been terrible. Almost anybody with any conscience in the Park Service has become a whistleblower, and at one point during the Reagan administration that included the Director. I mean, coming to us and telling us what is really going on that they can't say in public. Morale there is terrible; I think you have probably found that out by now, and a lot of it has to do with decisions not being made on the basis of professional judgment and experience but being made in the context of a political statement or some other gender coming from somewhere outside the Park Service. I would hope that you could move on that as quickly as possible and restore the confidence, not just of the public, but of people within the Service.

As you know, I have Yosemite National Park in my district as well as King's Canyon and Sequoia National Parks. With respect to Yosemite, we have many key issues that have been shoved under the rug for the past 12 years. They have been talked about but nothing has been done, and I view this as a historic opportunity to act on those. One of those is transportation in the park, which relates directly to the second issue, which is our pollution problem in the park. As you know, Yosemi⁴e is a non-attainment area most of the year. Yet we still have diesel buses going in and out of the park, which frankly under the Clean Air Act is not going to be allowed in San Francisco or LA but will be allowed in Yosemite despite the pollution.

We have the public transportation system in the Valley is operated by diesel, despite the problems of congestion and pollution there. We are going to have to move on a transportation plan in Yosemite, not just talk about one, if we are going to save the park.

The final issue regarding Yosemite, and I won't get into the contracts this morning because I know we are going to have a hearing on that and you will have an opportunity to discuss it then, is the question of employee housing, which I guess is not just a Yosemite problem but probably servicewide. But again, it is a part of the morale problem. We have inadequate housing for employees. They are being asked, in my opinion, to pay more than the housing is worth. In the long term it is costing the Federal Government more because what we are paying for heating bills there in the winter and what the constant repairs cost us. I know it costs money, but every past Director we have had in the Park Service, despite what they have had to do publicly, has admitted privately to the mess and asked us to do something despite their public position on the issue.

Another issue I would like to mention briefly that you are going to have to deal with is the Ward's Valley problem in California, with respect to finding a site for us to locate our low-level waste. As you know, we have an agreement with the State of South Carolina that I think expires in 18 months. We don't know whether or not we will be able to renew it or what the price will be. It is an immensely controversial issue, both for the biotech industry which desperately needs a place to put this waste and for environmentalists on the other side who are concerned about what will happen if it goes there. I don't envy you for having to make that decision, but you are going to, and I suspect we are going to have to react to whatever posture you take.

Finally, and I won't ask you to respond to this, but I will just mention it, last year Senator Wirth and I worked very hard with the problem of poaching and the unnecessary loss of wildlife on our public lands. I would hope you would look at the legislation that we developed last year and work to upgrade the law enforcement mechanism within the Fish and Wildlife Service, which has been terribly decimated, woefully inadequate at the present time. We have a very severe problem in this country with trading in animal parts. We are destroying the bear in the Sierras right now and many other species. It is well documented. And in addition to States being involved in it, I think at the highest levels the Secretary is going to have to be involved in seeing that we don't just save this habitat out there that we are protecting for poachers, but that we save it for the wildlife as well.

Thank you.

The CHAIRMAN. Mr. Dickey?

STATEMENT OF HON. JAY DICKEY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ARKANSAS

Mr. DICKEY. Mr. Secretary, I represent the Fourth District in Arkansas, and I want to make sure that we are on the same level. Do you recognize, or have you had time enough to recognize that this district has the finest and most important—that it has the finest and most important State park in America, the Hot Springs National Park?

Secretary BABBITT. Yes, sir. [Laughter.]

Mr. DICKEY. We have a circumstance there that is pretty unique, I think, in that the national park, of course, protects the hot springs. But we have a flooding problem. The floods come in at periodic times and it is something like 8 feet, 6 feet, all the way across the downtown of our park.

I wonder if you could tell us, assuming this project—of somehow alleviating the flooding, assuming it is justified, where will the funds come from?

Secretary BABBITT. Mr. Dickey, I can't answer that question, in light of my current knowledge, except to say they have to come out of the Federal budget, and they will be one more example of a long list of demands that are being made on the system. Now, whether they come from the Department of Interior or the Corps of Engineers, obviously, I would be very interested in persuading you and the Corps of Engineers that that is really more appropriately their responsibility.

Mr. DICKEY. Are you familiar with that problem yet?

Secretary BABBITT. Not in detail, no, sir.

Mr. DICKEY. OK. Now, the Oauchita National Forest also is a part of the Fourth District, a small part of it, and cutting of timber is a big, big industry for all of us in the southern part of Arkansas. Can you tell me what are the guidelines you think we should follow in cutting the timber, just generally?

Secretary BABBITT. I can generally, bearing in mind that this is Mr. Espy's jurisdiction rather than mine. But I certainly have an opinion nonetheless.

Mr. DICKEY. Well, now let me get this straight. The Oauchita National Forest is yours, isn't it?

Secretary BABBITT. No, sir. It is a part of the Department of Agriculture.

Mr. DICKEY. Okay.

Secretary BABBITT. But I would be happy to volunteer an opinion. [Laughter.]

Mr. DICKEY. Maybe we better talk about this privately. [Laughter.]

Go ahead.

Secretary BABBITT. What we need to do with the public forests of this country is move toward a sustainable level of timber harvest. Now, we got badly off track in most of the national forests of this country with mandated increases in timber cuts during the 1980s. That is very clearly what has created the problem in the Pacific Northwest. The demands coming from the political leaders in Washington, the setting of quotas, mandating increased production led to accelerated clear-cutting and the collapse of the ecosystem. Endangered species appearing everywhere.

Now, there is a lot of good forestry knowledge in this country, and it seems clear to me that we can use the great majority of our forest base for sustainable levels of timber cutting. What I can't tell you is whether or not there is a specific problem in the Ouachita National Forest. If there is I haven't hard about it.

Mr. DICKEY. All right. One last question. We have also in the district is the crater of diamonds. It is in Murfreesboro. Are you familiar with the controversy that is going on now about that?

Secretary BABBITT. No, sir. I am not. I thought you got to pay 50 cents and dig for diamonds.

Mr. DICKEY. Well, I think they are digging a little deeper and they are having tests now. The issue is whether or not we have mining. This is the only source in America for diamonds. And I have met with some people recently and their position, in the district, is that we ought to let people do the mining and pick up and dig from the surface.

Explain to me what conversion means in your mind. That is what maybe is being brought to you, or the process may be coming that way. Secretary BABBITT. Well, conversion to me means theft. [Laughter.]

I guess that is the lawyer version. The lawyer meaning of the word.

Sir, I am not familiar with the specific issue. First of all, I thought the diamond thing was a State park rather than a Federal park.

Mr. DICKEY. That is right. Well, see that is where the conversion comes in. It would be converted from a State park to a national park upon your decision.

Secretary BABBITT. Is this park in your district?

Mr. DICKEY. Yes, sir.

Secretary BABBITT. What is your preference?

Mr. DICKEY. Well, I am not sure yet. [Laughter.]

Secretary BABBITT. Mr. Congressman, let me just say this. There are only two people whose opinions I care about on this issue, and that is you and the President of the United States.

Mr. DICKEY. Well, of course, he is from Hot Springs—[Laugh-ter.]

And that is close by. I am glad to hear that in two respects.

Thank you for your time. That is all.

The CHAIRMAN. Thank you. Mr. Vento?

Mr. VENTO. Well, Mr. Secretary—Governor Babbitt, I am pleased to hear you articulate these concerns. I thought that maybe we could reinstitute the Harold Ickes proposal for reorganization of the natural resources agencies of the Federal Government. He tried mightily and, as you recall from some of his biographies, he wasn't successful. But in any case, I do appreciate your sensitivity and responsiveness to members because very often as we are dealing with these problems they don't follow the lines. As you have indicated, we have got to get a better knowledge and database.

Along those lines, Mr. Secretary, you articulated concerns about conservation areas and NRAs within the Forest Service. I might say that the reports we have got back indicated that the Forest Service doesn't often treat those lands that we have congressionally designated much different than other forest lands. That is the sad reality of the past decade in which they have grown. So it is I think very important that as we look to create competition that we understand that this shouldn't become the lowest common denominator.

Similarly, with regards to national conservation areas, I think the package there is much more mixed, but again I think that without an organic act, without a basic mission or charter within BLM for these conservation lands it makes the task very difficult, each one being crafted in a customized way. As someone in a responsible area here, we have to look at the different missions of the various agencies. I think we want to make certain that we do try and keep that clear.

So I would be most interested. I am absolutely delighted that you are engaged in those types of issues because frankly I just haven't heard anyone else discussing it, and it is the very questions that we are trying to answer in the subcommittee in reference to members that bring proposals to me and to Chairman Miller. So I look forward to working with you on those types of issues. We got more answers here in 3 hours than I have in 10 years with regards to the Department of Interior, and this is an orientation meeting. So it really is very helpful.

One point I would make and that is I think you need to do something with the Solicitor's Office and with the Justice Department. I am very optimistic about the new designated or submitted name for the Department of Justice, Attorney General Reno, especially with her concern about the environment because I don't think that the Department of Interior has been well served by the Department of Justice in the past, whether it comes to land appraisals, whether it comes to other types of functions, and I just think we can solve a lot of our problems. When you began talking about water rights, I thought of Dinosaur Monument, when we yielded basically the water rights in Colorado when we should have appealed that particular decision. Again, I think that-that is history, but I think we really should not abandon those issues which I agree with you are set aside. When we set aside the unit, we didn't-again, we meant parks to be special areas. Not all lands are created equal. Some have special qualities which we designate and recognize and try to preserve.

Along those lines I would just further state that very often as we are dealing with land-use issues and the permitting process, the mining claims, the RS 2477 issues, many that are very controversial, like grazing permits, Mr. Secretary, not grazing rights. We want to be very careful about that, as you know. And, as we are dealing with those, I think very often that there has developed, I think, and evolved, while these had a legitimate purpose historically, I think they have evolved into a feeling that they are a right, and I think that is something that we need to address.

But more importantly, and I find even this to be the case most often with inholdings within our public lands, that we find that very often individuals are there really claiming some permit, like a FERC permit within a park or on BLM lands, even in Forest Service areas on streams, on rivers, really not with the idea of developing that, but really with the idea of staking a claim and then having the national government go to the Treasury and cash in to buy back that particular claim. I am especially concerned about, for instance, the type of development that is taking place today around Lechuguilla Cave near Carlsbad Caverns, and this is the sort of event where I think it could be avoided.

Along those lines I think that you get back really to our data base and the types of plans that we have, and updating them, for instance, and rewriting the BLM authorization bill and other proposals so that we don't necessarily have competition between the agencies, but I think what we really need is cooperation. We really need to get collaboration in terms of these issues, and I think you are right on track in terms of talking about developing the scientific base and information.

In politics we may differ, but we shouldn't differ about the basic facts which drive these policy decisions. So rather than try to ask a whole host of questions here, I hope that we can develop a dialogue. I am very encouraged and look forward to the legislative program and other initiatives that, obviously, you are going to lead. I hope you will take a lead role in the temperate rain forest summit that is being proposed. It sounds to me like we are going to need that type of help from you and from the other leaders in this administration, Mr. Secretary.

Thank you. Thank you, Mr. Chairman.

The CHAIRMAN. Mr. de Lugo?

Mr. DE LUGO. Thank you very much, Mr. Chairman. I certainly agree with Mr. Vento. This has been an excellent orientation and it has been very helpful to all of us. It certainly has been helpful to this member.

I just wanted to have an exchange with you, Mr. Secretary on the matters I raised at first. You heard Congressman Faleomavaega when he was saying that the handling of insular responsibilities has got to have White House leadership.

I did like your fire when you said you were not about to be stripped of jurisdiction 30 days into your stewardship, and want to point out that we don't expect you to be.

To clarify the situation, I would like to just say that the legislation that I have introduced and that has been introduced on the Senate side is not designed to strip the Secretary of Interior of jurisdiction. The fact is that Secretary of Interior doesn't have the jurisdiction at the present time to do the job for the insular areas.

These insular areas which are treated very benevolently by the mother country are colonies. We had a dynamic conference this past week at George Washington University with tremendous participation from elected officials and educators from Guam, American Samoa, the Northern Mariana Islands, the Virgin Islands, and Puerto Rico.

The effort to develop this legislation began years ago when we became convinced that Interior as it is presently structured could not deliver on the modern issues affecting the insular areas because it didn't have the jurisdiction to do so. In fact, the legislation was introduced before you came to town. So, it certainly is not directed at you.

And let me say this, Mr. Secretary. Since you have the full confidence of the President, if you want to take the lead, I will back you. But I must tell you this: the insular areas are going to be very skeptical about Interior taking the lead because Interior has failed us so consistently through recent decades.

Water Island, that I spoke about, is fully within the jurisdiction of Interior. It is a scandal, and it is going to become public pretty soon. It has got racial overtones, colonial overtones, and God knows what other overtones, and it had to be passed through 2 days before the end of the Bush administration over the objections of the chairmen in both the House and Senate. Five hundred acres of land. The people that have built on this island have been—by and large, many of them have been subsidized by the Federal taxpayer. This has to be looked at.

But our problem, Mr. Secretary, is that the insular areas just aren't considered when national policy is being developed by administrations. Right now the President is coming forward with a package. We don't know what is going to happen there with the 936 program. That is why we need to have a procedure in place within the administration that can respond to the special circumstances of insular areas. It was recommended by many of us in the House that it be the Executive Office of the President. It could be just as well the Secretary of Interior. But for you to be able to do what is needed and what nobody does now, it is going to take a new assignment. You have to have the authority to be able to work with Treasury, to work with the Department of Health, work with HUD, all of these agencies that are really important to the insular areas now that they are self-governing. It is not like the old days when the Governor was a political appointee and he answered to the Secretary of Interior. Now, our Governors are elected, and that is relatively recent.

So it is time to restructure. It is not an attack on you, Mr. Secretary. And I would like to work with you, together, to restructure this so that the Federal Government can respond to the needs of 3.9 million Americans who are living in the insular areas, who cannot vote for President, who have no say in who is going to be their commander in chief. And I would like to get your response to this.

Secretary BABBITT. Congressman, I agree with your objectives. I think we share those objectives and I am ready and willing to work with you. You know, you name the time and the place and we will get moving on this stuff and we will arm wrestle each other and we will figure it out. I am ready to do that.

Mr. DE LUGO. Sounds great to me. Thank you very much, Mr. Secretary.

Thank you, Mr. Chairman, for a great orientation.

The CHAIRMAN. Mr. Secretary, thank you very much for your time. I think as you can already tell from the remarks of this committee not only is your jurisdiction important to us and the decisions that you will make important to us, but also this morning you have deeply impressed this committee. It has been a long time since the Secretary of Interior has sat at that table and given us direct answers to direct questions. It is a long time since the Secretary of Interior has sat at that table and known the answers to the questions that we have asked without it being whispered in one ear or the other ear by somebody else.

I said when I introduced you to many members of this committee some weeks ago that not only have you given a great deal of intellectual energy and thought to these issues, but you have also spilled political blood and capital over these issues in your service in public life, and I think already this committee can sense the difference that will mean to the members of this committee as they struggle to receive answers, and to solve problems that affect their constituents. This is truly a fresh breeze blowing in this room in terms of struggling to solve problems.

I must tell you that the members of this committee spend many, many, many hours in trying to resolve these issues. Not to make them more complicated, but simply to resolve them. And during my time as chair of this committee, and certainly as a member of this committee, we have struggled for months waiting for yes and no answers or for a discussion even of the problems from the Department. You can hear some of the frustration here. You can also hear much of the hope that this administration and your tenure in this office brings to this committee.

I would hope that in the future we would have the opportunity to sit down in small groups with you and members of your Department and members of this committee to discuss how we might handle some of these issues and how we might resolve them. Sometimes I believe that just dragging members of the administration up before the committee is somewhat counterproductive and that we have an opportunity to provide those alternative forms and discussions.

I think it has been a long time since I have listened to members of this committee invite a Secretary of the Interior to their district, where they thought that would be a positive event. I am not ready yet to create the T-shirt of "The Great Secretarial Tour of the USA," but I certainly look forward to your participation and cooperation with members of this committee. They chose this committee, they work hard at it, and they represent some very, very difficult constituencies around these various issues. But we are willing to make that effort. I think clearly the President and you have signaled that effort at cooperation, and I must really thank you very much for spending this time and answering the questions in the direct fashion in which you did.

We will have additional questions that members have submitted to me here in writing we would like to forward to you for comment. And thank you again very much for your time and your effort and thoughtfulness here this morning.

Secretary BABBITT. Mr. Chairman, I enjoyed it enormously. I look forward to doing it a whole lot. Thank you.

The CHAIRMAN. Thank you.

The committee stands adjourned.

[Whereupon, at 12:48 p.m., the subcommittee was adjourned, to reconvene subject to the call of the Chair.]

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