

Statement by Shannon Collier, Policy Analyst, Taxpayers for Common Sense

on Proposed Amendments to the Bureau of Land Management's (BLM) Grazing Administration Regulations Anticipated Notice of Public Rulemaking

Location: Courtyard by Marriott, 1600 Rhode Island Avenue, NW Washington, DC 20036

DATE: March 27, 2003

Submitted to: Director (630), Bureau of Land Management, Eastern States Office, 7450 Boston Boulevard, Springfield, Virginia 22153, Attention: RIN 1004-AD42.

My name is Shannon Collier and I am a policy analyst for Taxpayers for Common Sense, a non-profit, taxpayer advocacy organization based in Washington, DC. I am here today to offer public comment on the BLM's Grazing Administration Regulations Anticipated Notice of Public Rulemaking.

First of all, I would like to acknowledge that I am as much here to oppose certain proposed changes in this rule as I am to voice my disappointment that any discussion of a much needed increase in federal grazing fees has been omitted from this rulemaking effort and subsequent hearings.

In relation to the proposed rule, Taxpayers for Common Sense opposes any alterations that would limit public access to federal grazing lands or reduce the opportunity for public input into the oversight and management of these lands. While ranchers are afforded access to and use of certain public lands for the purpose of livestock grazing, these federal lands are still held in the public trust, in perpetuity. This means that while an individual or individuals can operate or use certain tracts of public land for the specified purpose of grazing, they are still required to honor the public's right to access and oversee the management of these lands.

Moreover, while ranchers are given access to public rangelands for livestock grazing, use of federal lands for this purpose is not necessary to maintain a ranching livelihood in America. As numerous analyses have noted, only three-percent of U.S. livestock producers hold federal grazing permits. This means that nationally, around ninety-seven percent of livestock grazing occurs on state or private land. Given that the federal grazing program contributes such a minute percentage to the domestic livestock industry nationally, there is virtually no justification for the massive sums of taxpayer dollars spent to manage these programs.

Administration of grazing and grazing-related programs by the U.S. Forest Service (USFS) and the Bureau of Land Management (BLM) is estimated to cost taxpayers more than \$100 million annually in direct costs, while independent analyses estimate that indirect costs can add up to \$400 million to this total. One of the primary reasons for this massive drain on taxpayer dollars is a revenue gap caused by the under-valuation of federal grazing fees, which is ignored in this proposed rulemaking.

The current grazing fee of \$1.35 per animal unit month (AUM) does not even come close to covering the cost of the federal range management program. In fiscal year 2002, the BLM spent \$80.6 million on rangeland management and range improvements alone; however, revenue from

BLM grazing fee receipts amounted to only \$12.8 million for the same year, of which only \$9.6 million was retained by the federal government. Furthermore, the federal grazing fee is far below the rates charged for grazing on private and state-owned lands in most western states. Data from the National Agricultural Statistics Service notes that in 2001, market rates for private, non-irrigated grazing lands ranged from a low of \$7.00 per AUM in Arizona to a high of \$20.60 AUM in Nebraska. Below-cost federal grazing fees not only short change taxpayers, but also encourage overgrazing, which results in extensive damage to public lands and additional costs to taxpayers.

Below-cost grazing fees make livestock grazing on federal lands nothing more than an expense to taxpayers and do little to encourage an individual's stewardship of grazing lands. The fact that this vital shortcoming of federal grazing programs is not being addressed by federal land management agencies at this time is an insult to the American taxpayer.

I thank you for the opportunity to speak on this very important taxpayer issue, and hope – on the behalf of American taxpayers – that the concerns I have raised will be thoroughly evaluated and sincerely considered.