

Schedule 13

Funding Request for the FY 2018-19 Budget Cycle

Department of Agriculture

Request Title

R-01 Federal Lands Management Resources

Dept. Approval By: _____

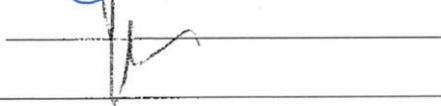


Supplemental FY 2017-18

X

Change Request FY 2018-19

OSPB Approval By: _____



Budget Amendment FY 2018-19

Summary Information	Fund	FY 2017-18		FY 2018-19	FY 2019-20	
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$2,823,509	\$0	\$2,890,773	\$85,528	\$85,843
	FTE	15.3	0.0	15.3	1.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$670,961	\$0	\$695,156	\$85,528	\$85,843
	CF	\$626,244	\$0	\$669,313	\$0	\$0
	RF	\$700,000	\$0	\$700,000	\$0	\$0
	FF	\$826,304	\$0	\$826,304	\$0	\$0

Line Item Information	Fund	FY 2017-18		FY 2018-19	FY 2019-20	
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$2,823,509	\$0	\$2,890,773	\$85,528	\$85,843
	FTE	15.3	0.0	15.3	1.0	0.0
02. Agriculture Services -- Conservation Services Division	GF	\$670,961	\$0	\$695,156	\$85,528	\$85,843
	CF	\$626,244	\$0	\$669,313	\$0	\$0
	RF	\$700,000	\$0	\$700,000	\$0	\$0
	FF	\$826,304	\$0	\$826,304	\$0	\$0

CF Letternote Text Revision Required?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	If Yes, see schedule 4 fund source detail.
RF Letternote Text Revision Required?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	
FF Letternote Text Revision Required?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	

Department of Agriculture

Requires Legislation?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> X
Type of Request?	Department of Agriculture Prioritized Request
Interagency Approval or Related Schedule 13s:	None

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Item	Request	Request	Request	Request	Request	Request
1	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
2	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
3	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
4	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
5	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
6	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
7	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
8	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
9	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
10	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23

1	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
2	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
3	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
4	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
5	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
6	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
7	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
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COLORADO

Department of Agriculture

Priority: R-01
Federal Lands Management Resources
FY 2018-19 Request

Cost and FTE

- The Department of Agriculture requests an ongoing appropriation of \$85,528 General Fund and 1.0 FTE to provide resources for management of federal lands throughout the State of Colorado; currently this program has one FTE partially dedicated to these issues.

Current Program

- Pursuant to Section 24-20-113, C.R.S. the Department of Agriculture (CDA) provides technical assistance, information, and expertise to improve coordination, cooperation, and collaboration with local governments, land managers and permit holders in the federal land planning processes.
- Program inputs include staff time and operating expenses. Outcomes will be measured by participation in federal lands planning, engagement with stakeholders, and the effort to eliminate future reduction in federal lands grazing permits.

Problem or Opportunity

- Current engagement in federal land and regulatory issues must be prioritized because CDA does not have the capacity to engage in federal lands issues as an advocate for the livestock industry in Colorado. Current demand for assistance greatly outweighs CDA's capacity to assist stakeholders.
- The additional capacity would benefit agricultural producers and local partners by enabling CDA to provide technical assistance, information, and expertise on more land management and regulatory issues of concern to stakeholders.
- Prompt response to stakeholder requests relates to Strategic Policy Initiative 2, *Improve the Customer Service Experience for Department Stakeholders*, in the Department's Performance Plan

Consequences of Problem

- If additional resources are not secured, the lack of participation in the federal lands planning process could result in a continued loss of federal grazing permits.
- Colorado's permit loss can be quantified at \$19.4 million in agricultural revenues since 2000.

Proposed Solution

- Approval of this proposal will result in CDA's ability to address federal lands issues and meet requests of stakeholders more efficiently, aiding the Department in reaching its Performance Plan goal of 88% customer satisfaction by 2019.
- This proposal supports the Governor's 2018 Goal – Environmental sustainability and balanced energy development by advocating for science-based natural resource management on federal lands.



COLORADO

Department of Agriculture

John W. Hickenlooper
Governor

Don Brown
Commissioner

FY 2018-19 Funding Request | November 1, 2017

Department Priority: R-01
Request Detail: Federal Lands Management Resources

Summary of Incremental Funding Change for FY 2017-18	Total Funds	General Fund
<i>Federal Lands Management Resources</i>	\$85,528	\$85,528

Problem or Opportunity:

Pursuant to Section 24-20-113, C.R.S. the Department of Agriculture (CDA) provides technical assistance, information, and expertise to improve coordination, cooperation, and collaboration with local governments, land managers and permit holders in the federal land planning processes. Since 36% of Colorado consists of federal land there is an increasing need for CDA to serve as an advocate for agricultural producers whose livelihood depends upon the use of federal lands.

CDA has agreements with the Bureau of Land Management and United States Forest Service to provide mediation services for grazing allotment management disputes between the agencies and permit holders. In addition, federal and state legislative and regulatory proposals are monitored and analyzed for potential impacts to the agriculture industry. These duties were added to the Conservation Services Division Director position pursuant to H.B. 15-1225, who is the sole person in the Department working on these issues. An unknown consequence of the passage of H.B. 15-1225 is the volume of work in which CDA should be participating. Current engagement in federal land and regulatory issues must be prioritized because CDA does not have the capacity to participate in all issues as an advocate for the livestock industry in Colorado.

The Conservation Services Division Director currently spends an estimated 40% to 50% of his time on federal lands planning issues (per HB 15-1225), which harms his ability to oversee the other programs in his division. Adding 1.0 FTE to work on federal lands issues would free up some of the Division Director's time and enhance CDA's ability to assist ranchers, landowners, and local governments in federal lands dispute resolution and planning processes. CDA estimates it currently meets only 10% of the demand for assistance from those stakeholders in the federal lands planning process.

Proposed Solution:

To more effectively assist the agriculture industry, local land managers and permit holders with federal land management issues and regulatory changes, CDA is requesting an ongoing appropriation of 1.0 FTE and \$85,528 General Fund. The additional capacity would benefit agricultural producers and local partners

by enabling CDA to provide technical assistance, information, and expertise on more land management and regulatory issues of concern to stakeholders. Prompt response to stakeholder requests relates to Strategic Policy Initiative 2, *Improve the Customer Service Experience for Department Stakeholders*, in the Department's Performance Plan.

All federal agency actions must comply with requirements of the National Environmental Policy Act. These requirements include multiple stages depending on the level of analysis that include limited opportunities for public comment. CDA is able to participate in the analysis beyond the public comment opportunities available to ranchers and landowners as a cooperating agency. Additionally, through developing working relationships and maintaining communication with federal agencies, CDA is often able to obtain information and provide input into proposed regulatory and policy changes before finalization by the agencies. Continuous outreach to stakeholders provides CDA the opportunity to provide information to agricultural industry groups and to discuss their concerns.

The United States Forest Service (USFS) and Bureau of Land Management (BLM) collectively administer over 22.8 million acres of land in Colorado. Permitted livestock grazing is one of the congressionally mandated multiple uses of these lands and is an important part of the livestock industry in Colorado. Forage from federal grazing allotments, measured in animal unit months (AUMs), is necessary to maintain viable ranching operations that sustain rural economies throughout Colorado. The number of AUMs authorized by federal land management agencies is declining in Colorado and throughout the western states. BLM and USFS authorized 1,129,881 AUMs in Colorado for 2015. A decrease from 1,315,323 authorized in 2000, or a reduction of 185,442 AUMs. Reductions of authorized livestock use can be attributed to the planning processes that remove or promote other land uses over livestock grazing, regulatory changes including endangered species actions, and changes in resource conditions. With an additional 1.0 FTE, CDA can foster participation in the planning process, with the hope of eliminating future AUM reductions in Colorado. If this role is not filled by the state, the livestock industry loses representation in land use decisions at the cooperating agency level as this role can only be filled by a government agency with an executed memorandum of understanding (MOU).

An AUM of forage is the quantified amount of forage necessary to maintain an animal unit (1 cow or 5 sheep) for one month. The value of this forage to a livestock producer is the gross revenue from livestock production, only made possible by having access to the forage. Colorado State University produces Colorado Livestock Enterprise Budgets¹ that provide an estimate of total gross revenues from production for rangeland cattle operations. The 2014-2015 cow-calf estimate of gross revenue from production per cow is \$1,256.80. This can be converted to an annual gross revenue from production per AUM of forage by dividing by 12 months resulting in an annual gross revenue from production per AUM of \$104.73. AUM values provide a metric to estimate economic losses from AUM reductions to individual allotments and communities within the area. Thus, the estimated annual value of a forage reduction of 185,442 AUMs is \$19,421,959.

Properly managed livestock grazing promotes positive ecological conditions while maintaining viable ranching operations that include both federal and private land helps to preserve more expansive and unfragmented landscapes that benefit wildlife.² Loss of access to forage on federal land negatively impacts the economic viability of ranching operations and could lead to conversion or development of private rangelands that would fragment wildlife habitat. Properly managed livestock grazing is a valuable resource

¹ Available at: <http://wr.colostate.edu/ABM/livestock.shtml>

² Maestas, J. D., R.L. Knight, & W.C. Gilgert. 2003. Biodiversity across a rural land-use gradient. *Conservation Biology* 17(5):1425-1434. doi:10.1046/j.1523-1739.2003.02371.x

management tool that can improve wildlife habitat, biodiversity, and overall ecological conditions while providing cultural and economic benefits to communities.

In addition, managed grazing can impact vegetation in four general ways: alter plant community composition, increase productivity of selected species, increase nutritive value of forage, and increase the diversity of habitat. Grazing systems can be designed to develop and maintain habitat diversity and quality for wildlife.³ For example, properly timed cattle use on meadows can promote regrowth of forbs that attract sage grouse.⁴

Colorado's land tenure is similar to that of New Mexico (NMDA) and Wyoming (WDA) that have 36% and 48% federal land respectively. The Agricultural Programs and Resources Division of NMDA has a Natural Resources Program Manager and three Natural Resources Policy and Planning Analysts that engage in federal land management and regulatory issues. WDA's Natural Resources and Policy Division includes a division manager, two senior policy analysts, and a mediation program coordinator. This proposal would bring Colorado Department of Agriculture's federal land program closer to that of New Mexico and Wyoming Departments of Agriculture. If this need is not addressed, the State will likely continue to lose AUMs and federal grazing permits, resulting in negative economic impacts for the State and rural communities.

Anticipated Outcomes:

Approval of this proposal will result in CDA's ability to engage with ranchers and federal lands agencies in order to meet requests of stakeholders. Outcomes will be measured by participation in federal lands planning, engagement with stakeholders, and the effort to eliminate future reduction in federal lands grazing permits for Colorado ranchers.

The Department's Performance Plan includes the percent of stakeholders rating their experience with the Department as good or excellent as a measurable indicator. This is expected to help achieve the desired longer-term outcome for the Department's customer satisfaction rating, as measured by a survey of stakeholders, to improve to 88% by 2019.

This proposal supports the Governor's 2018 Goal – Environmental sustainability and balanced energy development by advocating for science-based natural resource management on federal lands.

Assumptions and Calculations:

The Department requests this position at the Administrator III level, which is similar to existing positions within the division. Additionally, this position will travel to visit many rural areas throughout the state, so travel expenses have been added. CDA assumes the position will travel an average of 100 miles a day for 130.5 (13,050 miles at .535 a mile) days a year and require a hotel and per diem for half the trips (\$100 hotel and \$51 per diem).

The major duties of this position are outlined below:

³ Davies, K.W., M. Vavra, B. Schultz, and N. Rimbey. 2014. Implications of longer term rest from grazing in the sagebrush steppe. *Journal of Rangeland Applications* 1:14-34.

⁴ Evans, C.C. 1986. The relationship of cattle grazing to sage-grouse use of meadow habitat on the Sheldon National Wildlife Refuge [thesis]. Reno, NV: University of Nevada.

- Monitor new federal lands regulations from BLM and USFS;
- Negotiate MOUs to allow CDA to participate as a cooperating agency for planning and resource allocations;
- Provide technical assistance to ranchers, local governments, and industry stakeholders;
- Attend BLM & USFS meetings around the state to advocate for ranchers; and
- Prepare research in order to effectively advocate for grazing land use and allocations.

Expenditure Detail		FY 2018-19		FY 2019-20	
Personal Services:					
Classification Title	Monthly Salary	FTE		FTE	
ADMINISTRATOR III	\$4,117	0.9	\$45,284	1.0	\$49,404
PERA			\$4,596		\$5,015
AED			\$2,264		\$2,470
SAED			\$2,264		\$2,470
Medicare			\$657		\$716
STD			\$86		\$94
Health-Life-Dental			\$7,927		\$7,927
Subtotal Position 1, 1.0 FTE		0.9	\$63,078	1.0	\$68,096
Operating Expenses:					
		FTE		FTE	
Regular FTE Operating Expenses	\$500	1.0	\$500	1.0	\$500
Telephone Expenses	\$450	1.0	\$450	1.0	\$450
PC, One-Time	\$1,230	1.0	\$1,230	-	
Office Furniture, One-Time	\$3,473	1.0	\$3,473	-	
Mileage (total miles 13,050)	\$0.535	13,050	\$6,982		\$6,982
Per Diem (\$51 for 65 days)	\$51.00	65.0	\$3,315		\$3,315
Hotel (\$100 for 65 days)	\$100.00	65.0	\$6,500		\$6,500
Subtotal Operating Expenses			\$22,450		\$17,747
TOTAL REQUEST		0.9	\$85,528	1.0	\$85,843
<i>General Fund:</i>			\$85,528		\$85,843