

JACK D. JONES

08-11-94

Hi Gus &

How are you doing?  
I am out of the RLM  
ZooSY since May 2.

Did you ever come  
to Montana?

Gus, note this letter  
from George Leau I  
told him - 2nd letter to  
notify you support  
rest-rotation grazing - your  
book & visit RIR in Montana.

I will phone you one  
weekend soon -

Best regards,  
Jack

Seen Joe  
last week - He went  
to Billings for a  
heart check-up



For America's Heritage

## Public Lands Foundation

P.O. Box 10403

McLean, Virginia 22102

July 29, 1994

Jack Jones  
3014 Irene ST  
Butte, MT 59701

Dear Jack:

I guess it is OK to call you Jack. I don't recall meeting you but maybe you will remember meeting me along the way. At any rate any working BLMer or retiree should be on a first named basis, Right?

I agree with you comment about Rest Rotation Grazing. When I was Chief of the Range Management Division here in Washington many "moons" ago, I was the person that hire Gus Hormay; gave him a truck and credit card and turned him loose to put on his RR training sessions. Except for the heavy use pasture idea it is a great concept and I too have seen how it works wonders on the ground. The problem was that many ranchers would not leave the rest pasture alone. Since I have retired I have lost track of Gus. His health was not too good the last time I saw him but he was a stout man and probably still going strong. He must me close to 90 by now.

I'll enclose my latest paper on grazing fees. I have no idea if you agree with PLF or not on this issue. I would not be surprised if you disagreed. You are entitled to do so.

Thanks for sending me the article about RR and Elk. I, as I said, am very familiar with RR. Also, I enjoyed your item in the Standard. If you are not a member of PLF here is an application. If you are still working you can become an Associate Member and if you are in Boise this September 7-10 you can attend our annual meeting. Maybe I'll see you there. in any case, write again. The next time tell me about the BLM Land Exchange and Land Pooling program you mentioned.

Sincerely,

George Lea, President



For America's Heritage

Public Lands Foundation

P.O. Box 10403

McLean, Virginia 22102

July 23, 1994

To: Those interested in BLM matters

Secretary Babbitt has proposed to implement a program to reduce grazing fees based on the stewardship of the grazing permittee.

I am personally very familiar with the issue involved. I spent more than thirty years with BLM during which I held several positions at all levels of the organization including District Manager and Chief of Range Management. I know that BLM professionals do not want to be "strapped" with implementing a reduction in grazing fees to increase stewardship. Their problem is they know it will not work but can't say so.

The attached paper is the Public Lands Foundation's effort to speak for them. We realize the incentive fee proposal is popular with some organizations and many permittees. The Foundation, however, must stand for the truth not the popular.

Sincerely,

George Lea, President



Public Lands Foundation

P.O. Box 10403

McLean, Virginia 22102

For America's Heritage

*SMOKE SCREEN!*

July 20, 1994

*INCENTIVE-BASED GRAZING FEE REDUCTION*

*The proposal-* As a part of the Range Reform regulations published by the Secretary of Interior on March 25, 1994, a 30% reduction in grazing fees was proposed where a permittee or lessee has met certain criteria. The Department believes reducing the fee would be an incentive to encourage stewardship on the part of the rancher. The eligibility criteria were not established but would be prior to the 1996 grazing season. Such a discount would result in a base grazing fee of \$2.77 per AUM in 1996.

It is important to understand what is involved in the grazing fee issue before considering the merits of the above proposal. Much has been written about the subject through the years as grazing fees have become a national issue each year.

*The Economics-* The important fact here is that it has been well established that grazing fee expenses are about 3% of total cash costs of a typical public land ranch. It is not the dominate cost that the ranching community would have one believe. Modest increases in fee will not bankrupt the public land grazing industry nor force legitimate ranches out of business. The average per cow costs and receipts for public land permittees are significantly lower than for non-permittees. The reality is that public land grazing fees are a political issue and not an economic one. It is the "litmus test" for the public land ranchers. If, through their influence with their congressional representatives in both the House and Senate, they can control what the fee will be, they know they still dominate the political landscape of the West as they have since the western states were settled. If they fail to do so they then know that they are loosing this traditional political control and more changes not to their liking may follow soon.

It is also important to understand the size profile of the public land ranchers. There are approximately 29,500 BLM and FS permits; 66% run less than 499 AUMs; 13% 500-100 AUMs; 13% 1001-2000 AUMs and 7% more than 2000 AUMs. Of those running less than 500 AUMs nearly 60% or 11,000 run less than 200 AUMs. In this last group 72% run less than 100 AUMs. Therefore the bulk of the benefits to an incentive fee reduction will go to the few large ranches.

The reward for good stewardship should not be reduced grazing fees. The reward will be in the market place where the increased productivity of the land will sustain and increase profits for the livestock operation.

*The Politics-* The proposed increase in grazing fees to a base of \$3.96 per AUM is a very equitable and modest increase substantially below private and state lease rates. The Administration believes that in addition to a very reasonable fee, providing a further reduction in fees for good stewardship is good politics. In reality it is not good politics because the debate through the past 60 years has shown that the public land permittees can not be satisfied. They have had the benefits of a subsidized grazing fee from the beginning and yet it has not worked as an incentive to better the resource. Ranchers

should not be bribed to do what they are supposed to do in order to continue to hold the privilege to graze the public's land.

*The Application-* As a practical matter, if resource conditions are to be the basis for the criteria and they should be, BLM does not have the data or the capability to collect the needed data to make annual range condition determinations on each grazing allotment. They are currently unable to keep up with their goal of monitoring each allotment management plan area every five years. In addition the record keeping involved in this proposal would require a large amount of money and manpower that could be better spent improving the land. The March 25, 1994 Federal Register did not include the criteria to be used in determining who would receive the 30% reduction, but simply reserved space for such. It is easily understood why this was done. It will be most difficult if not impossible to establish criteria, that all would agree with, that would answer the question as to who or what is responsible for changes in land conditions on an annual basis. Was the change due to the rancher's efforts, those of the BLM, the weather or all three or other factors? What percentage of the change should be apply to each? What fee should be charged if the land condition objectives are not reached or land conditions deteriorate? Is there a penalty for poor stewardship? It is most unlikely that the permittees would agree to ecologically based criteria. There is already plenty of controversy in rangeland management without adding more.

If the criteria were to be based on the permittee conforming with routine livestock management or non-resource condition criteria, i.e., signing an Allotment Management Plan, maintaining range improvements or placing salt on the ridge tops, then the incentive reduction program would become a true hoax and an insult to the permittee.

*The Morality-* It would appear that 1) if I held a scarce public commodity which I did not have to share with anyone else in my private area of use, 2) and I would get the use of all of that commodity that may become available in my allotted area, 3) and I could hold it in perpetuity as provided by Section 402(c) of FLPMA and have so held it for several generations now and 4) pay a very modest and equitable fee for its private use, that should be enough incentive for me to be a good steward and I should not have to be bribed.

Earlier this year the Secretary of Interior dropped the idea of an incentive fee after a series of public meetings and a closer examination of the practicability of its application. This was a wise decision then and this concept should be deleted from further consideration.

*A Suggestion-* Part of the problem is the dispute over what the public forage is truly worth. An accurate data base is needed on this value. The final rule making should direct the Secretaries of Interior and Agriculture to conduct bidding on a regional basis to determine the true value of the public land forage and perhaps as a basis for allocating grazing use. This piece of information is not available to the public or the Departments and is urgently needed to intelligently determine the values involved. The places to conduct competitive bidding is where acquired public lands or grazing allotments not subject to permits or leases become available.