

Executive Summary

Ranchers have grazed livestock on private and public lands for many decades, often in harsh conditions unsuitable for other purposes. But grazing on public lands has come under greater scrutiny in recent years, as critics voice concerns about what they perceive as environmental damage and low grazing fees, even as ranchers make efforts to improve the range and boost wildlife habitat.

Issue Background

Grazing lands, both public and private, are the single-largest land use in the United States. Cows, sheep, horses and goats primarily use private lands in the eastern U.S. and public lands in the western U.S. Slightly less than 50 percent of U.S. land is suitable for grazing animals.

Grazing on federal lands is regulated through permits on lands managed by the U.S. Forest Service (USFS) and Bureau of Land Management (BLM). These permits determine when, where and how many head of livestock may graze on particular allotments. Ranchers pay annual fees set by law for the use of federal and

state grazing lands. While terms of grazing are reviewed annually, permits are renewable for periods up to 10 years.

Ranch families across the country rely on federal and state grazing permits to provide forage for their herds. A typical ranch unit consists of a combination of private and public lands that gives the rancher a place for livestock to graze in the summer and allows him or her to maintain a herd size sufficient to make a living. This is especially true in the arid West, where it may take 100 acres to sustain one cow.

The over-grazing of the open ranges in the late 1800s created a misperception of grazing as environmentally harmful that persists

today. Properly managed grazing actually provides positive ecological benefits necessary for healthy rangelands. For example, grazing can help improve water quality, provide capacity to sequester carbon and promote and enhance biodiversity. Sheep and goats also are increasingly used to control invasive plants. Overall, improved grazing practices have resulted in improved rangeland conditions.

In addition to the normal weather risks that all producers face, livestock ranchers also face risks from predators such as wolves, bears, coyotes and mountain lions. Competition for scarce water supplies as a result of years-

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AFBF Policy

AFBF Policy 115, Federal Lands (excerpted):

“With regard to general management policies, we support live-stock grazing as a viable tool to improve resource conditions and reduce wildfire hazards.

“We support the following management principles for federal lands: All federal land managers make every effort to utilize all grazing allotments and keep them open to livestock grazing; A permittee’s right to water developed by the lessee on federal lands in accordance with state water law; The use of monies received from BLM grazing fees for rangeland improvement projects as specified by the Taylor Grazing Act and Federal Land Policy Management Act.

“We oppose any buyout or

permanent retirement of BLM and USFS grazing permits, whether initiated by the federal government or other organizations.

“Any legislation should necessarily include: Applicants must own livestock in order to be able to obtain federal grazing permits; An equitable grazing fee which: (a) recognizes the added costs associated with grazing on federal lands and reconciles the costs between federal and private grazing fees; (b) is based on good scientific data; (c) provides for the economic and social stability of the industry and western rural communities; and (d) is based on the economics of the industry.”

The entire policy book is posted at <http://silo.fb.org/Policy/AFBFPolicyBook.htm>.

Issue Background

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long drought has made grazing difficult. The Endangered Species Act and other federal and state environmental laws have further restricted grazing. Wildfires also consume grazing lands each year.

That’s not all ranchers must contend with on a regular basis. Increased competition for the use of federal and state lands has led to conflicts with environmental groups and others. Many grazing opponents cite the abuses of the 19th century and claim grazing is harmful to rangelands, ignoring the benefits that have come with greater understanding and subsequent improvements over time.

Others claim the presence of livestock is incompatible with healthy populations of wildlife, and they urge the conversion of rangelands to wildlife habitat only. This position fails to consider the beneficial roles livestock play in maintaining the conditions of rangelands or that livestock and wildlife can co-exist and have done so for years. Yet others just do not want livestock on the range and challenge every permit renewal.

Compounding these problems is the fact that both the USFS and BLM have reduced range staff and cut range budgets. Employees spend more time doing required paperwork than conducting on-the-ground activities.

Economic Analysis

Thousands of western cattle and sheep producers rely on access to public lands for part of their livelihoods.

Advocacy groups outside production agriculture have attacked public grazing for years, either because they believe permit holders get too much in return for their payments or because they want to end the practice entirely. This controversy affects producers in two chief ways: the fees they pay to graze and the influence grazing permits have on adjacent private land values.

Many critics point to the gap between private lease rates and grazing fees on Bureau of Land Management and U.S. Forest Service lands.

On private lands, the landlord pays for upkeep and repairs to fences, water and working facilities; on BLM and USFS lands, the permit holder is responsible for those expenses. In many cases, the grazer’s actual per-acre expenses are greater on public land than on private land.

Federal grazing permits are renewable for up to 10 years and are transferable, but some private ranches in the West have been affiliated with the same grazing permits for decades.

Over time, the economic value of grazing permits has been capitalized into the value of affiliated private lands. Eliminating federal grazing programs would have a calamitous effect on the asset values of hundreds of thousands of acres of privately owned western lands.

Public Relations Resources

Talking points:

- Ranchers take care of the land where their livestock graze. A rancher's role as caretaker leaves the rangelands in as good, or even better, condition than what he found when he began grazing livestock there.
- Well-managed grazing actually helps combat erosion, since the grass eaten by farm animals is also a ground cover that holds soil in place. Well-managed grazing also benefits rangelands by aerating soil and scattering seeds.
- Ranchers develop and maintain water supplies for their livestock, but wildlife, plants and others often benefit as well when water becomes more accessible.
- Ranchers often take steps that ultimately improve wildlife habitat, control the spread of noxious weeds and invasive species, reduce the threat of wildfires and preserve open spaces. Any program that unduly restricts livestock grazing eliminates these benefits on both public and private lands.
- America's ranchers are the backbone of rural communities. Ranching families help sustain small communities by supporting local businesses and funding schools, hospitals, roads and other local government services by contributing to the tax base.

What's Happening Now?

The U.S. Forest Service and the Bureau of Land Management are required to complete environmental analyses on all grazing allotments prior to permits being renewed every few years.

Both agencies have been given a grace period to renew permits prior to the analyses being completed. This grace period expires in 2008. Both agencies are currently behind schedule in meeting this requirement.

Failure to meet the deadline will result in ranchers being denied permits even though they have done nothing wrong.

Meanwhile, the National Public Lands Grazing Campaign (www.publiclandsranching.org) is lobbying Congress to end livestock grazing on federal lands by buying

out and retiring all the permits.

This would force most permittees out of business, result in the loss of the ranching way of life and possibly lead to the further development of private lands.

Bills were introduced in the 109th Congress to accomplish this. While no similar bills have been introduced as of early July, AFBF expects they will be reintroduced.

The sponsor of one of the bills in the last Congress, Rep. Raúl Grijalva (D-Ariz.), is now chairman of the House subcommittee that would consider such legislation.

The American Farm Bureau Federation opposes a buyout and retirement of grazing permits, even if it were voluntary.

The loss of grazing in one area will have adverse environ-

mental and economic consequences for individuals who do not want to sell their permits on neighboring lands.

Also, fewer permits in an area will result in less revenue for the USFS and BLM, thus increasing the costs of administration. If too many permittees sell their permits, the agency may end the entire program in that area.

In addition, the administration budget for fiscal year 2008 does not contain any money for the Range Improvement Fund, which helps permittees work cooperatively with the government to perform needed improvements on rangelands.

Loss of funds will result in worse range conditions and possible loss of grazing.

About the Fee

The Public Rangelands Improvement Act of 1978 established the present formula for determining the grazing fee on federal lands managed by the U.S. Forest Service and Bureau of Land Management.

The collected fees are divided among the U.S. Treasury, federal agencies and states.

Half of all fees collected or \$10 million—whichever is greater—goes to a range betterment fund in the U.S. Treasury.

The fund is used for range rehabilitation, protection and improvements such as grass seeding, fence construction, weed control, water development, and fish and wildlife habitat. The remaining 50

percent of the fees collected from grazing permits is sent to the U.S. Treasury and state governments using various formulas developed by the USFS and BLM.

The fee charged by the USFS and BLM is based on the grazing of a specified number of animals for one month, known as “animal unit months.”

An AUM is defined as a month’s use and occupancy of the range by one animal unit, which includes one yearling, one cow and her calf, one horse or five sheep or goats.

Since 1981, when the USFS and BLM began charging the same fee, the rate has ranged between a low of \$1.35 per AUM (for several

years, including 2007) and a high of \$2.31 per AUM (1981).

Other federal agencies such as the Department of Defense, state governments and private landowners also permit grazing using the AUM concept.

A September 2005 study by the Government Accountability Office of 2004 rates found that other federal agencies charged \$0.29 to \$112.50 per AUM, while state fees ranged from \$1.35 to \$80 per AUM. Private fees ranged from \$8 to \$23 per AUM, according to the GAO study.

State and private grazing leases generally provide more services as part of the lease than does the federal government, and lease rates reflect these services. Based on a per-service basis, fees charged by the federal government are roughly equivalent to state and private lease rates.

By the Numbers

Charging fees for grazing private livestock on federal lands has been U.S. Forest Service policy since 1906:

- Fees are charged for grazing on approximately 95 million USFS acres.
- There are about 7,750 operators on USFS rangelands.

Charging fees for grazing private livestock on federal lands has been Bureau of Land Management policy since 1936:

- Fees are charged for grazing on approximately 160 million BLM acres.
- There are about 15,650 operators on BLM rangelands.

For More Information

The following AFBF staff members assembled this issue briefing:

- **Anne Keller**, director of issues management in public relations, (202) 406-3659 and annek@fb.org.
- **Jim Sartwelle**, livestock economist in economic analysis, (202) 406-3623 and jsartwelle@fb.org.
- **Rick Krause**, senior director, regulatory relations, (202) 406-3664 and rickk@fb.org.

Additional Resources

Additional information is posted on Farm Bureau’s intranet site, SILO, at <http://silo.fb.org/issues/livestock>.

Among the resources posted on the Livestock Issues Management pages on SILO are news clips, links to past Issues Management Briefings about related issues and links to agricultural law programs around the U.S. Links to related conference calls and PowerPoint® slide presentations also are posted on these pages.