The 2017 Grazing Fee was released by the Bureau of Land Management (BLM) at the end of January, and went into effect on March 1. The federal grazing fee is now $1.87 per animal unit month (AUM) for public lands administered and managed by the BLM and the U.S. Forest Service (USFS). The new fee is down 11% from last year’s $2.11 AUM.

Fees set in place for farmers and ranchers that graze private livestock on federal lands are statutory. The policy has been in place by the USFS since 1906, and the BLM since 1936. However, the fee formula was not set in place until 1978 with the passing of Public Rangelands Improvement Act (PRIA), which is the same formula still used today. The fee is set by the Secretary of the U.S. Department of Agriculture and the Secretary of U.S. Department of the Interior, who start at a 1966 base value of $1.23 AUM, and adjust the number based on factors including: the rental charge for pasturing cattle on private rangelands, the sales price of beef cattle, and the cost of livestock production. President Reagan signed an Executive Order in February of 1986 to continue using the PRIA fee formula indefinitely.

The new fee affects nearly 25,000 permits between the Forest Service and the Bureau of Land Management in sixteen western states on nearly 220 million acres of public land that is used primarily for livestock grazing. Affected states include: Arizona, California, Colorado, Idaho, Kansas, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Utah, Washington, and Wyoming.

While livestock owners like to see lower grazing fees, conservationists are disappointed in the recent drop. The Wildlife News wrote that the new grazing fee is “further undervaluing public lands.” They argue not only does it put the land at risk from an industry that “degrades soil productivity, water, wildlife habitat, and health of the land,” but it also puts the federal program at an “overwhelming deficit.” The federal fees tend to be much lower than state and private lands grazing fees. Also, the BLM and USFS both spend more money managing their grazing programs than the total sum of collected grazing fees. In FY2015, the BLM allocated $36.2 million for administering livestock grazing, while only collecting $14.5 million in grazing fees. The USFS appropriated $55.4 million for grazing administration, and only collected $6.5 million in grazing fees.

Together the BLM and the USFS collected a total of $21 million in grazing fees during the 2015 fiscal year. Both the BLM and the USFS use 50% of the collected grazing fees towards the Range Betterment Fund (RBF), and appropriate the other 50% accordingly to the U.S. Treasury and to the States. The Forest Service allocates 25% of collected grazing fees to the states, while the Bureau has different state allotments per section – ranging from 12.5% to 50%. For both agencies, the money allocated to states is to be used to benefit the counties from which the fees were generated. With the 11% decrease in the 2017 grazing fee, the federal agencies can expect to see a decrease in grazing fee shares to state and local governments.