



Testimony
Before The
Senate Energy and Natural Resources Committee
Regarding
S. 2593

Presented By
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April 1, 2008

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Good afternoon, Chairman Bingaman, Ranking Member Domenici and members of the Committee. For the record my name is Chris West. I am the Vice President of the American Forest Resource Council (AFRC), a forest products trade organization representing nearly eighty wood product manufacturers and forest landowners in the western United States based in Portland, Oregon. Growing up in communities across the West, I am a second generation forester and attended the University of California at Berkeley where I earned a Bachelors of Science in Forestry and a Masters of Forestry in Forest & Wildlife Management Planning. My testimony today not only reflects the views of AFRC's membership, but also those of the Associated Oregon Loggers, Douglas Timber Operators and Washington Contract Loggers Association. Our collective members represent loggers, wood product manufacturers, biomass energy producers and forest landowners that are committed to the ecological, economic and social sustainability of our nation's western forest communities. They also provide family-wage jobs that fuel rural economies. We appreciate the opportunity to discuss our thoughts regarding S.2593, the Forest Landscape Restoration Act.

This Committee and the Subcommittee on Public Lands and Forests has heard from a long list of distinguished forest ecologists, silviculturalists and professional land managers who have stated that we can and desperately need to get back to managing our western forested landscapes. As a result, the Committee already knows the great need for large-scale landscape restoration across the West. Current landscape conditions are a result of a variety of man made and natural factors, but rather than focusing on these, we would like to concentrate on what must be done to restore these forests. Some may want to dwell on the past, but we strongly believe that for the sake of

our forest ecosystems, key watersheds, critical wildlife habitats and rural communities, we need to start restoring the land to conditions that are sustainable and resilient to not only catastrophic wildfire, but also climate change. If we, as a society, choose to continue an endless debate-- allowing the judicial system to obstruct important projects while these vital ecosystems are devastated by unnatural catastrophic wildfires and insect epidemics -- shame on us.

The Forest Landscape Restoration Act will help improve numerous forest values, but more importantly it will also provide the certainty and predictability of opportunities that forest products and biomass energy businesses need. Today, we are still losing mills across the West and in many places we're in grave danger of losing the last remaining infrastructure. The current poor housing market and the associated drop in lumber demand has resulted in a rash of sawmill curtailments and shutdowns, but over the last decade we've lost mills across the West, especially in the four corners states, simply due to a lack of supply. Moreover, many of these mills were the only infrastructure located in areas at high risk of catastrophic wildfire. One of our member's has a mill located in central Oregon, which has had to shut down for weeks at a time due to no log supply. This mill has invested millions of dollars in small-log technology and can take a log as small as five inches in diameter. It is nearly surrounded by federally owned, overstocked and unhealthy stands of trees at high risk of catastrophic wildfire and in desperate need of thinning. This is just one example of how we as an industry have adapted to changing times, utilizing the latest technology to maximize the consumer products that can be produced from smaller trees. But without a predictable and consistent flow of forest management projects, companies cannot afford to make investments in new state of the art logging equipment, small

log milling technology or biomass energy facilities. S.2593 would help provide some of that certainty upon which industry entrepreneurs can take to their bankers and investors. This basic fact is incredibly important and often an overlooked reality in the discussions surrounding a forest restoration program. We must have large landscape scale projects to implement, not only to save our forests, watersheds and wildlife habitats, but to also save our rural communities and the infrastructure we desperately need to do this work.

We support the stated purpose of S.2593, which is to encourage the restoration of priority forested landscapes through a collaborative and science based approach. To accomplish these goals, there must be meaningful discussions at the local, site specific level, where environmental conditions and ecological opportunities can be fully vetted among diverse stakeholders with natural resource professionals and research scientists' input. A one-size-fits-all approach from Washington DC will likely result in tying the hands of land managers and diminishing the quality of work on the ground, therefore we thank you for leaving these decisions to the people in the field and avoid legislating prescriptive solutions.

The Forest Landscape Restoration Act builds on a solid foundation of earlier forest restoration legislation, specifically the Quincy Library Group Forest Recovery and Economic Stability Act (QLG) and the Healthy Forest Restoration Act (HFRA). QLG grew out of a local collaborative effort to treat the forest landscape over three national forests in an effort to reduce the size and intensity of catastrophic wildfires. HFRA was a bipartisan effort to treat 20 million acres of high risk forest ecosystems across the nation. Unfortunately, these two important legislative efforts

have not resulted in the large landscape projects that our forests, watersheds, wildlife habitats and communities desperately need.

We would like to offer several suggested improvements to S.2593 with the goal of increasing its effectiveness of meeting the stated goals of restoring priority landscapes. First, a critical tool to accomplishing the restoration work envisioned by the bill is the Stewardship Contracting authority authorized by the Omnibus Appropriations Act of 2003. In so many site specific situations, the restoration work has bi-products, such as sawlogs, fence posts, firewood and biomass that clearly have value but will not pay their way out of the woods. The Stewardship Contracting authority allows the federal agency to trade “goods” for “services” and thus reduce the cost of accomplishing the vital restoration work. Unfortunately, the Forest Service and BLM’s authority to use this important tool expires in 2013, therefore we request that this authority be extended under this Act.

Second, under current Federal Acquisition Regulation requirements there exists a government liability problem associated with Stewardship Contracting that if not resolved will likely limit the ability of the Forest Landscape Restoration Act to fulfill its desired outcomes. Specifically, these regulations require appropriated funds be obligated up-front to cover the government’s potential financial liability should a contract be canceled. Considering the Forest Service’s current dismal budget situation, this funding should be used to plan and implement other stewardship projects rather than being set aside to comply with an antiquated federal regulation. The Department of Agriculture’s Federal Acquisition Regulations must be amended to allow

multiyear stewardship contracts to be satisfied at the time of cancellation by using appropriated funds. Senator Kyl has proposed legislation, S.2442, that addresses this situation and we would ask that this language be included in S.2593.

Finally, since much of the restoration work done under this Act will yield low value material that may be only suitable for biomass energy production, we ask that S.2593 amend the definition of “renewable biomass” in the Renewable Fuels Standard of the Energy Bill passed last December.

The “renewable biomass” language inserted into the Energy Bill by the House of Representatives was completely nonsensical and illogical. AFRC and its members work in our federal forests, comply with the strictest environmental laws and regulations, and produce renewable and sustainable consumer products that Americans demand. We have millions of acres of our federal forests in desperate need of restoration, with the potential for millions of tons of biomass, yet current energy law would not allow this material to count towards the Renewable Fuels Standard. Without the credits associated with this standard, potential investors will be hard pressed to undertake new woody biomass alternative fuel ventures.

In conclusion, we are thankful that S.2593 recognizes that each area has its own unique values and challenges and that land managers, stakeholders, scientists and community representatives are best suited to plan projects through a collaborative, science-based approach. This concludes my prepared remarks. I would be happy to answer any questions you might have.

Thank you.