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Testimony Submitted to Sub-committee on Public Lands and Forests

Senators, Chairman Wyden, Members of the Sub-committee on Public Lands and Forests of the Senate Committee on Energy and Natural Resources:

I would like to submit written testimony in support of the Forest Jobs and Recreation Act, S268, sponsored by Senator Jon Tester and co-sponsor Senator Max Baucus from our state of Montana

I live in the small community of Deer Lodge, MT with a population of 3,500 people, located in southwestern Montana. My wife Bonnie and I own and operate Sun Mountain Lumber and Sun Mountain Logging, small wood products manufacturing businesses in Deer Lodge. When in full operation prior to the recession, we employed 275 full-time employees and another 50 to 75 subcontractors.

We have been working with others in our industry and also the conservation community for the past six years in a collaborative effort to develop solutions that would resolve our differences and promote better forest management on our national forests. In our state where over 60% of our forested land is owned and managed by the U.S. Forest Service, it is crucial to all Americans that we find ways to give the forest service the necessary tools they need to better manage our forests.

We have been watching our forests each year die from insects and disease, creating a serious threat of catastrophic wildfires that are sure to come. When these fires do occur they not only destroy the timber that we rely on for our businesses but also the habitat that is connected to it: wildlife, fisheries, recreation, livestock grazing, domestic water supplies, energy supply (power, gas and oil transmission lines), homes, communities and people's lives, not only those who live in and around the forest but the many who are put at risk as they fight the fires, in their efforts to protect the communities and resources.

We believe that this bill that Senator Tester is proposing gives the Forest Service additional tools they need to help them manage our forests. Management of our national forests currently is driven by two factors: controversy and budgets. These two factors often times are overlapping each other as we see project after project tied up in appeals and litigation, which in turn causes a drain on the budgets. Fire also is playing a major role in budgets as 50% of the Forest Service budgets are now being utilized for wildfire suppression.

We now in Montana alone have between 5 to 6 million acres of dead and dying timber, timber that is vitally needed to maintain our remaining industry infrastructure, timber that still has a useful value to all Americans but stands waiting for the fires that are sure to come, while we as an industry continue to shrink from lack of timber supply. Montana has lost over 40 of our wood products manufacturing facilities, which employed over 15,000 workers, with only 10 facilities remaining, which utilize 10 million board feet or more annually, employing 5,000 workers. The latest closure was Smurfitt-Stone Container in Missoula, which employed 600 workers. The wood products manufacturing industry now comprises 17% of Montana's total economy, second only to Petroleum at 20%. Ten years ago wood products were at 35% and 20 years ago we were at 50% of Montana's economy. So it is easy for to see where the industry is headed. We in the wood-products industry as well as our conservation partners know of the need for our infrastructure to remain viable as a management tool for healthy forests. We have witnessed in other states what happened when the infrastructure left. We need only to look at Colorado, New Mexico, Arizona, Utah and Wyoming who have all lost their basic system of harvesting timber and manufacturing wood products. Now they are faced with massive wildfires that destroy the resources that the forests had provided. When the wood products infrastructure is gone you lose all the trained work force and the facilities that can provide the needed restoration work. This has and will continue to cause a need for higher budgets as more money from the U.S. taxpayers goes to pay for fire suppression and forest restoration.

We all know that weather events are uncontrollable, as we are witnessing the massive destruction caused by hurricanes, tornadoes, floods and more. Wildfires are no different; however, with proper forest management, we can have an effect on the severity and results of these wildfire events.

Let me share a few statistics with you: Our facility of Sun Mountain utilizes 50 million board feet or 12,500 truckloads of logs per year. We currently acquire 80% of those logs from private land-owners, 10% from State Lands both Idaho and Montana, and 10% national forests both U.S. Forest Service and BLM lands (Bureau of Land Management). In Montana, remember, over 60% of the forested lands are located on U.S. Forest Service lands. Our private and state lands cannot continue to sustain us and all other wood products manufacturing in Montana.

In Montana, we are also beginning to feel the pressure from the Chinese and Japanese export markets occurring on the Pacific Coast. As that giant need continues, companies have been reaching further inland to secure the wood fiber from private and state timberlands; thus the growing demand for our national forests to provide for our domestic markets. We are certain that as our economy rebounds, as it is beginning to do, that our domestic markets' demands for wood fiber will far exceed the supply capabilities of both our domestic manufacturers as well as the Canadian suppliers. But the infrastructure we currently have cannot grow without some form of secure timber supply.

This bill attempts to resolve gridlock on some of our national forests, bringing together very diverse groups, with many different interest, to resolve problems and to create and retain jobs through managing our forest resources in a more responsible way: by performing needed restoration work, preserving our high-mountain backcountry, guaranteeing recreation opportunities, protecting our clean

water, hunting, fishing, grazing for livestock, protecting our communities from catastrophic wildfires, while preserving the wood products infrastructure that still remains.

We see this as a win/win for all Americans who believe in the wise use of our national forests.

I thank Senator Tester for his undying support of this effort and his willingness to give it his “all” for the betterment of all Americans. I ask the members of this sub-committee to support him and to move this bill forward.



Sherman G. Anderson, President and Owner

Sun Mountain Lumber, Inc. & Sun Mountain

Logging LLC