

Federal Forest Resource Coalition

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Testimony of the Federal Forest Resource Coalition
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United States Senate

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Mr. Chairman, Ranking Member Murkowski, my name is Bill Imbergamo, and I am the Executive Director of the Federal Forest Resource Coalition, a national non-profit trade association representing a diverse coalition of federal timber purchasers, conservation groups, and county governments. With over 650 member companies in 28 States, FFRC members employ over 390,000 people and contribute over \$19 Billion in payroll.

Our members purchase, harvest, transport, and process timber and biomass from the National Forest System and lands managed by the Bureau of Land Management. We live and work in communities near to or surrounded by Federal public lands. Our businesses rely upon healthy, productive forests and a sustainable and growing supply of raw materials from these lands.

FFRC members are survivors. Our mills have survived the worst recession since the Great Depression, which caused about half the solid wood manufacturing capacity in the United States to close. Our members continued to make investments in our facilities and our communities because we believe we can be a part of a more prosperous future, both for our communities and for our National Forests.

Introduction:

We were encouraged by your May 23rd announcement that you would seek to modernize and update the legal framework that is severely limiting the management of the Bureau of Land Management's O&C lands in Oregon. We agree that the laws need to be modernized to provide for the implementation of the O&C Act, and certainty to rural communities. These communities have suffered severe economic dislocation due to decades of litigation-driven set asides that have failed to recognize the need to provide sustained, reliable supplies of timber or maintain forest health.

As we wrote you last month, many of the same economic conditions and forest health problems which plague the O&C lands exist throughout the National Forest System. As the Administration noted in February of last year, there are up to 82 million acres of the National

Forest System which are experiencing severe forest health problems. Bark beetles in the Central and Northern Rockies are impacting some 48 million acres. As overstocked stands experience drought conditions, the Forest Service is increasingly falling behind on management as they annually shift resources away from needed harvest to fire suppression. Less fire prone National Forests suffer as resources are redirected to fight fires and restore damaged lands.

We are now entering our third decade of drastically reduced harvest from the National Forest System. Many who advocated for this approach to management (primarily through the courts) claimed that by harvesting fewer trees, harvesting them on fewer acres, and making it more difficult for land managers to select those acres, we would improve forest health, create more vibrant populations of wildlife, and improve rural economies. The results on each of these counts have proven otherwise and actually have proven to be more harmful. Judging from the inability of the Forest Service to address these problems, the legal and administrative tools available are inadequate to the task.

As you evaluate the legal framework for managing the O&C lands, we urge you to consider and pass legislation which addresses the management challenges plaguing the National Forest System as well. Rural communities have suffered decades of reduced economic prospects, watersheds have deteriorated, and county governments have been strained to the breaking point. We stand ready to work with you to address these challenges.

Forest Health has deteriorated significantly:

Over 82 million acres of Forest Service lands are at elevated risk of catastrophic wildfires, insect, or disease outbreaks. These problems are often the most severe in the States which have lost most of their wood using industries, such as Colorado and New Mexico. Large scale wildfires cost billions annually to suppress, and cities such as Denver have been forced to spend tens of millions of dollars restoring damaged watersheds.

In other National Forests, such as those in the Lake States and New England, passive management has allowed forests to develop into closed canopy stands where little sunlight reaches the forest floor. These forests have limited value as wildlife habitat and are susceptible to fire and insects, while sensitive species which require early successional habitat, such as the ruffed grouse and Kirtland's Warbler, continue to disappear.

The extent of the problem is not in doubt. The Government Accountability Office recognized the urgency of the need to reduce hazardous fuels in 1999¹. The Forest Service acknowledges that over 73 million acres of their lands are a high priority for management and that "one time treatment of all high fire risk areas would not fully address the fuels problem, as landscapes continue to change over time and fuels would build up on many lands currently in historic condition, without periodic maintenance treatments.²" The Western Governors Association

¹ Western National Forests: A Cohesive Strategy is Needed to Address Catastrophic Wildfire Threats; General Accounting Office, April, 1999.

² http://www.fs.fed.us/publications/policy-analysis/fire-and-fuels-position-paper.pdf

has adopted numerous resolutions acknowledging the extent and severity of the forest health crisis³.

Unhealthy Forests Demand Action:

Last year, over 9 million acres of forests, farms, and rangeland burned across the U.S. This included over 2.5 million acres of National Forests. There are millions of acres of National Forests which are experiencing extreme forest health problems, including millions of acres of overstocked, fire prone forests in the Western United States. At present, various bark beetle outbreaks cover some 48 million acres, most of which is on National Forest lands.

The Forest Service has made efforts to address these problems, but increasingly evidence is coming in from the field that these efforts are being stymied by groups philosophically opposed to active management, utilization of timber, or rural community stability. Groups that sit out collaboration have no investment in the outcome, and instead use appeals and litigation to kill collaborative efforts and badly needed forest management projects.

While collaboration is not the answer on every forest in every locale, many FFRC members are actively engaged in collaboration across the country, and purchase timber through traditional timber sales, Stewardship contracts, and Stewardship agreements. While collaborative groups often come together with common aspirations of improving the health of their forests, watersheds, and local communities, they must then attempt to advance their projects through the gauntlet of appeals, litigation, and obstruction.

In other cases, the Forest Service, even without substantial opposition, reacts slowly to changed forest condition because they must prepare to defend their actions against the maze of regulations and likely litigation. In the process, they forgo opportunities for management, and economic activity. In other instances, the collaboratives lack concrete goals in terms of outputs, whether those are timber outputs, intensity of thinning treatments, or acreage objectives. The result is projects which can be economically infeasible, unsustainable, and fail to meaningfully improve stand conditions. Examples of this abound:

In Montana: The Lolo National Forest has worked for years to develop local consensus on thinning projects that would help protect watersheds, communities, and habitat. One of these projects proposed conducting thinning on 2,300 acres. The Colt Summit Project had broadbased support from local industry, local and national environmental groups, and sportsman's organizations. This Collaborative Forest Landscape Restoration Act (CFLRA) project was being implemented through a Stewardship Contract, on a 3 million acre National Forest within a few hours drive of several large wilderness areas. A local extremist group, the Alliance for the Wild Rockies, filed a lawsuit alleging multiple violations of environmental and procedural laws, 14 counts in all. While 13 of them were dismissed, the Judge issued an injunction based on the 14th count.

While the agency is working diligently to revise the project to meet the court's concerns, the volume offered by this project is still not on the market, and there are only 2 mills left within a

³ See, among others: Western Governors Association Policy Resolution 12-01: *Wildland Fire Management and Resilient Landscapes*

reasonable sourcing distance of this forest. One of them very nearly failed this winter for lack of logs.

This same environmental group has recently filed challenges against many forest management projects in Region 1. This time, they allege that the Forest Service failed to conduct consultation under the Endangered Species Act when the Fish and Wildlife Service designated critical habitat for the lynx. Since every forest in Region 1 and Region 2 conducted a forest plan amendment when the lynx was listed, it's hard to see what benefit conducting another round of consultation would do, except as a purely dilatory exercise.

It is very clear in Region 1 that collaboration, though helpful, is not the end all answer for the environmental litigants who refuse to participate in these efforts.

In New Mexico: The Southwest Jemez Mountains CFLRA project proposed to improve forest health on 210,000 acres on the Santa Fe National Forest and the Valles Caldera Trust-Valles Caldera National Preserve. The project has support from more than a dozen government agencies, wildlife and sportsmen's groups, tribes, and conservation groups such as the Nature Conservancy. In the two years since the project was first funded, very little thinning has taken place on the ground. Unfortunately, two large fires, the Las Conchas fire in 2011 and the Thompson Ridge Fire this year, have burned over 55,000 acres in the project area. Restoration work becomes far more difficult when a forest suffers a catastrophic fire. Meanwhile, the public which has worked hard to support the project have been told that the NEPA documents will be completed this September, the Record of Decision will be signed in January, 2014, and work should start in March or April of 2014.

Obviously the project was meant to bring together a variety of entities to make a measurable improvement to forest health in north central New Mexico, but given the length of time it has taken to complete the NEPA documents, coupled with the recent fires in that area, it seems that the Southwest Jemez CFLRP will need to divert money previously proposed for treatment to address long term erosion control. We hope the project can still be a success even though a third of the USFS/Valles Caldera lands have burnt prior to any major implementation.

<u>In Minnesota:</u> On July 2, 2012, a severe thunderstorm caused damage on a path 10 miles wide and 40 miles long. About 110,000 acres of the Chippewa National Forest sustained damage. The storm damaged several stands with existing timber sales. The Forest Service spent over three months negotiating with the purchaser over a modification to the contract, even though it was apparent within days that the timber, sold to a telephone pole manufacturer, was no longer useful for that purpose.

Beyond that, the agency spent the next 10 months doing NEPA analysis and has not been completed as of today. In all likelihood, projects will not be implemented until late this year or early next. By this time the timber would be in very poor condition and very likely will no longer have any economic value. Depending on the alternative decided upon, only 5,000 to 7,000 additional acres would be harvested. A substantial amount of acres would be burned without harvest. At most, the Forest Service may treat 17,000 acres by harvest. The remaining blowdown would be left as a "representative sample" of natural disturbance. As of today, the Forest Service has only conducted salvage on about 9,000 acres, or 8% of the total.

By contrast, the State of Minnesota and county governments have conducted extensive salvage and restoration activities on the lands they manage that were impacted by the same storm.

<u>In Washington:</u> The Tapash Collaborative Forest Restoration Project on the Okanogan-Wenatchee National Forest in Washington State was chosen in the first round of CFLRP projects in 2010. The project covers 1.6 million acres. Over the projected 10 year life of the project, the agency plans to harvest only 3% of the project area. The Tapash project called for zero acres of timber harvest in FY 2010; 5,614 acres in FY 2011; and 3,150 for FY 2013.

According to their 2011 CFLR annual report, nearly \$1.2 million dollars has been spent on the project, without a single acre of timber harvest. The 2012 report notes an expenditure of \$870,000 with no harvest acres claimed, although by including timber harvest planned before the selection of the CFLRP project, the agency is able to claim a modest amount of timber supply provided over the three years of the project. Environmentally and economically, this project is a failure; very few acres have been treated, there has been no increase in timber harvest from the Forest, despite the expenditure of over \$3 million earmarked dollars. Meanwhile, about 61,000 acres of the project area have burned. No salvage has been done on the burned areas.

Some forests in some regions have consistently proposed projects which pro-actively create healthier forests, and have been more responsive to changing conditions. On balance, however, it is apparent that the public and Congressional consensus that our forests must be more actively managed is difficult to translate into projects which directly improve stand conditions, reduce fire danger, and stimulate local employment in frequently economically depressed communities.

Seizing the Opportunity to Manage Our Federal Forests:

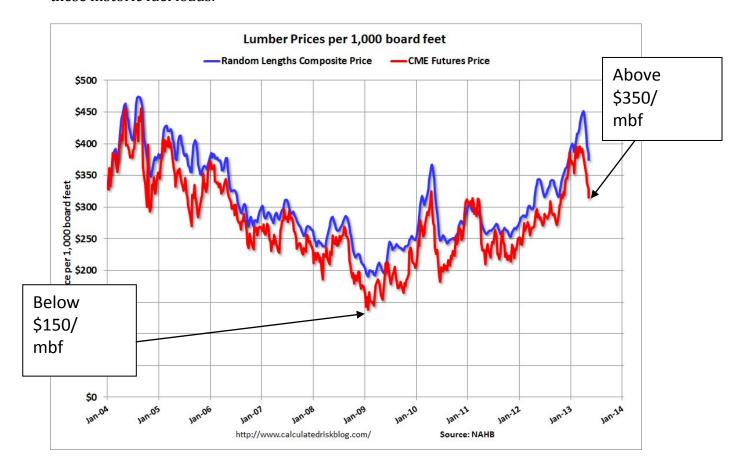
The Forest Service and BLM have not traditionally been responsive to market demand. As lumber prices ran up to historic highs during the boom of the 2000's, Forest Service outputs remained static. As large fires dominated the news and Congressional thinking about the National Forests, lumber output remained stagnant.

To their credit, the Obama administration, in its first term, has steadily increased timber outputs. It is worth noting, however, that the Forest Service consistently counts free or low cost firewood – "sold" by permit – as part of its timber sale accomplishments, and during this timeframe firewood accounted for between 11 and 14 percent of NFS timber "sold."

Further, in February, 2012, the Administration released the report entitled "Increasing the Pace and Scale of Restoration and Job Creation on Our National Forests." This report called for increased efforts to reduce hazardous fuels, restore forests, and supply up to 3 Billion Board Feet of timber from the National Forest System.

The signs of recovery are showing up across the country. New sawmills have been announced in Georgia, Louisiana, and Arizona. Mills teetering on the brink of bankruptcy have been saved, including the mill in Montrose, Colorado. A mill, shuttered for more than a decade in Wyoming, has reopened. As you can see by the following chart, this is an auspicious time to take

advantage of the nation's wood using infrastructure and make serious headway in reducing these historic fuel loads.



While we were glad to see timber outputs inch upwards to 2.62 Billion Board Feet last year, we have now learned that because of the sequester, progress towards the Administration's goal of 3 Billion Board Feet in 2014 will now not be met. Further, the Administration's goal of 2.8 Billion Board Feet in 2013 will not be met, falling below last year's output by approximately 200 Million Board Feet. Not only will this cause needless delays in badly needed forest management projects, but significant job losses in communities which routinely experience higher rates of poverty, unemployment, and population loss than the surrounding non-NFS counties.

Regardless of where blame for the sequester lies, we now have an Administration budget for Fiscal Year 2014 which proposes to lock in the sequester cuts to hazardous fuels, timber sales, and capital improvement and maintenance funding, even while substantially increasing spending on land acquisition.

Further, the agency's budget presentation states that they have a \$6 billion infrastructure maintenance backlog, up from \$5.3 billion in 2012. This backlog does not just affect the roads my members depend on to access timber, but the trails, campgrounds, and visitor centers millions of Americans use for recreation. To cut these programs further goes right to the heart

of the visitor experience and raises serious questions about the governments continued commitment to manage these lands for the greatest good.

While this is not a budget hearing, it must be pointed out that budget is policy and that the Administration's budget for 2014 does not prioritize active management, hazardous fuels reduction, or prudent management of the basic forest infrastructure. This is a wrong turn and we appreciate this committee's forceful oversight on this matter.

Restoration in Action:

Last summer, the House Natural Resources Committee held a hearing during the peak of the fire season. At that hearing, the Forest Service said they had "restored" 3.7 million acres in 2011. The Committee asked for a breakdown of those numbers, which we've provided in the following chart:

Acres Restored by:	Acres:	Percent of Total:
Prescribed Fire:	1,081,318	29%
Lake, water & soil, noxious weed:	2,563,595	69%
Mechanically Treated:	1,136,405	30%
Pre-Commercial Thin:	145,928	3.90%
Commercially Thinned:	<u> 195,477</u>	5.20%
Total:	3,700,000	

Some acres received more than one treatment, so the numbers don't total up.

Over 1 million acres were "treated" with prescribed fire; over 400,000 of these acres were "treated" by wildfires burning within prescription. This is 10% of the total, and 37% of the prescribed burn acres.

The Forest Service only harvested usable wood fiber from 195,000 acres that were commercially thinned. This means that on 3.5 million of the acres restored, the Forest Service was generating no revenue whatsoever, and on 90% of the acres restored, there was no thinning of any kind.

In other words, when Congress provides substantial funds to pay for restoration work and encourages the agency to provide jobs and usable wood fiber, it is important for Congress to know how little of the National Forest System gets treated every year. If we accept the 82 million acre figure in the Administration's "accelerated" restoration strategy, they are on pace to complete a thinning of these acres in a mere 241 years, in the unlikely event that these forests do not succumb to insects, disease, and/or wildfire before then.

The Role of Harvest in Forest Restoration:

After nearly three decades of drastically reduced harvest, the National Forest System is facing an ecological and managerial crisis. Overstocked stands, drought, climate change, insects, and fire threaten to reconfigure the landscape and damage watersheds throughout the west. The

large fires that result from this overstocking threaten management on the rest of the National Forest System. Resources – money and people – are redirected away from forest management throughout the System; last year, over \$400 million was redirected from forest management programs for this purpose. Non-fire prone forest, such as the Superior in Minnesota, the Ottawa in Michigan, and the Francis Marion in South Carolina, still lose the ability to manage when key staff are diverted to firefighting rather than managing.

And yet a great deal of research, including research conducted by the Forest Service, indicates that active management which produces valuable timber can help meet a wide variety of restoration goals. Active forest management and timber harvest have been shown to have multiple long-term benefits, including reducing fuel loading, reducing potential for crown fires, increasing structural stage diversity, increasing age class diversity, reducing stand density and thus susceptibility to mountain pine beetles and other bark beetles, and improving wildlife habitat. Wildlife habitat can either be directly improved or indirectly improved by reducing the potential for catastrophic fires

Forest Service Researchers Ken Skog and James Barbour, for instance, found that thinning which produces sawtimber can treat more than twice as many acres as treatments which rely solely on non-commercial thinning. The thinning projects that produce timber, the researchers found, could treat 17.2 million acres, whereas non-commercial thinning could only treat 6.7 million acres. This study eliminated roadless areas and stands on steep slopes from consideration, and evaluated treatments on whether they reduce stand susceptibility to insect attack, fire, and windthrow⁴.

One of the most productive National Forests in the country, the Ouachita National Forest in Arkansas, is actively restoring significant wildlife habitat through the use of commercial timber sales, Stewardship contracts, and active support from conservation groups such as the National Wild Turkey Federation (an FFRC affiliate member) and the Nature Conservancy. While producing commercially valuable shortleaf pine timber, this forest is also creating habitat for the Red Cockaded woodpecker, prairie warbler, yellow breasted chat, and common yellowthroat. The Forest noted that red cockaded woodpeckers had increased by almost 300% due to the improved habitat. Researcher Larry Hedrick noted that "The ability to sell valuable wood products is at the very heart of restoration efforts All commercial thinning or regeneration cutting is accomplished through the use of timber sales that are advertised and sold to the highest bidder. Further...portions of the proceeds from these timber sales are retained to pay for most of the follow-up midstory reduction and prescribed burning needed to restore the stands."

Recent research in Minnesota suggests that aging forests may be contributing to a decline in forage for moose populations, which have declined dramatically in recent years. Dr. David C. Wilson and Dr. Alan R. Ek found last month that significant decreases in forest disturbance – including reduced harvest on the Superior National Forest – explained 80% of the year to year

⁴ Evaluation of Silvicultural Treatments and Biomass Use for Reducing Fire Hazard in Western States, Kenneth E. Skog and R. James Barbour, et. al, Forest Service Research Paper FLP-RP-634, 2006

⁵ Shortleaf Pine-Bluestem Restoration in the Ouachita National Forest, Larry D. Hedrick et. al. Transaction of the Sixty-Second North American Wildlife and Natural Resources Conference, Washington, DC, 14–18 March, pp. 509–515

variation in moose population in the State. Unfortunately, moose have declined from more than 8,000 in 2005 to just 2,760 today.⁶

In the case of northern goshawks, present forest conditions in the southwestern United States may be adversely affecting goshawk populations. Management of goshawk habitat focuses on creating and sustaining a patchy forest of highly interspersed structural stages ranging from regeneration to old forest throughout a goshawk territory. Managing the forest, through timber harvest and other treatments, to thin the understory, create small openings, and provide different tree sizes across the landscape will help produce and maintain desired forest conditions for goshawks and their prey⁷.

The Committee recently heard from Diane Vosick, who noted that research indicates that hazardous fuels treatments are effective at reducing large fire costs, protecting property, and preserving watersheds. She also noted that there is a substantial opportunity cost to delaying thinning projects, meaning that delays don't just wind up deferring costs, they increase them⁸.

Certainly not all acres of the National Forest System are suited to be managed for timber. FFRC members value wildland as much as the rest of the public, and frequently our members don't just earn their living in these remote places, but they depend on them for recreation, hunting, and family time as well. But ample research indicates that active management can produce a multitude of benefits, well beyond timber harvest.

In the current budget environment, it makes sense to look at this research and see how the value of the trees and other forest products can help pay for the management that science says need to take place.

Restoring the Connection Between Communities and Forest Management:

Counties with National Forest and other Federal lands within their borders cannot tax or develop these Federal public lands. Recognizing this, the Federal government has for decades provided payments, both in lieu of taxes and as a share of revenues from economic activities, to these counties. Congress enacted a law in 1908 which requires the Federal government to share 25% of the gross revenues derived from U.S. Forest Service activities (e.g. – timber sales, mineral leases, and grazing fees) with the counties. These revenues supported schools and the maintenance of infrastructure, and grew to become a significant source of revenue for National Forest counties.

By 2000, as a result of litigation and changes in policy, the scope of land management on Federal forests, particularly National Forest timber sales, had fallen by more than 80%, and these revenues dwindled. At the time, these drastic reductions were justified as necessary measures to protect "old growth" dependent species, watersheds, and other ecological values.

⁶ Minnesota Moose Population: Using Forest Inventory Data to Assess Changes in Habitat, D. Wilson , A. Ek., Minnesota Forestry Research Notes, No. 296, May 2013.

⁷ Implementing Northern Goshawk Management in Southwestern Forests: A Template for Restoring Fire-Adapted Forest Ecosystems, James A. Youtz, Russell T. Graham, Richard T. Reynolds, and Jerry Simon; Proceedings of the 2007 National Silviculture Workshop.

⁸ The Efficacy of Hazardous Fuel Treatments: Ecological Research Institute, May 2013.

Many argued that recreational activities would supplant timber management as the driving economic force in National Forest counties.

This approach to managing Federal forests has not produced the ecological, social, and economic outcomes its proponents have suggested would result. National Forest counties suffer disproportionately from high unemployment, poverty, and population loss. Forest health has declined drastically alongside the economic health of these communities. Economic dislocation from loss of year round manufacturing has threatened the viability of many rural counties, forcing many to near bankruptcy. Poor forest health and large fires limit recreational opportunities.

In 2000, Congress passed the Secure Rural Schools and Community Self-Determination Act (SRSCA). This legislation provided guaranteed payments to these forested counties, based on some of the highest years of timber revenue in the history of the Forest Service. Congress provided extensions of these guaranteed payments in 2006 and again in 2008.

This legislation expired in October of 2011, although Congress extended a greatly reduced guaranteed payment program for one year as part of the 2012 Transportation bill. Just last week, this Committee approved a one-year extension of these payments, financed by the sale of non-renewable resource, helium. It makes no sense to use non-renewable resources to pay for local governments in communities with abundant, renewable resources which should be both driving the local economy and supporting local government.

It has become apparent that continuing to rely on guaranteed payments from the treasury is no longer a viable option for forested counties. Further, it has become apparent that the passive management of the National Forests has failed to produce promised benefits, and the current approaches to land management will meet neither the needs of the counties nor the needs of the forests. A fundamentally different approach, which focuses management on the 23% of Forest Service lands which are currently under a timber objective is needed.

The guaranteed funding provided under SRS was never intended to permanently replace shared revenue from active management on Federal public lands. Congress should not provide further extension of mandatory funds without ensuring a transition that makes improvements in both the health of Federal forests and the economic condition of forest dependent counties through active forest management.

Principles of Reform:

- Payments to forest counties should be linked to fundamental reforms which streamline
 the process of proposing, analyzing, executing, and resolving conflicts over forest
 management projects on Federal forest lands.
- With due recognition of the need for a transition period, payments to counties must be linked to revenues produced by viable economic activity on Federal forests, including substantial, sustainable increases in timber outputs.
- All revenues generated on Federal forests, including a portion of revenues from Stewardship contracts, should be used to develop additional sustainable forest management projects as well as to provide revenue sharing to counties.

• A trust approach, focusing on the 23% of National Forest acres already identified as suited for timber production, can provide stable funding on a trust-trustee basis, while restoring and strengthening the overall multiple use framework on Federal forests.

The concept of "trust lands" is familiar to most Westerners. Most trust lands in the West are under State management. The Lincoln Institute of Land Policy notes that "Unlike other categories of public lands, the vast majority of state trust lands are held in a perpetual, intergenerational trust to support a variety of beneficiaries, including public schools..., universities, penitentiaries, and hospitals. To fulfill this mandate, these lands are actively managed for a diverse range of uses, including: timber, grazing, mining for oil and gas and other minerals, agriculture, commercial and residential development, conservation, and recreational uses such as hunting and fishing. Several large State Trust lands forestry programs have been certified under one or more forest management certification program 10.

Legislation is needed which streamlines compliance with several environmental statutes on the small portion of the National Forest System already identified as having a timber management objective, which can serve as the basis of a Federal forest trust. With the Forest Service currently spending \$356 million annually on NEPA compliance, reform legislation must:

- Streamline NEPA analysis, ESA consultation, and judicial review for projects conducted on lands designated for timber production.
- Set clear volume and acreage treatment targets to ensure accountability.
- Clarify to the courts that timber production is the primary objective on this relatively small portion of the National Forest System, not one use among many.
- Focuses on timber economics in the design, operation, and management of projects on lands designated for production.

Steps Short of Comprehensive Reform:

As noted above, FFRC members are actively engaged in collaborative projects across the country. We share the optimism that these projects bring, with people recognizing that land management is necessary, and the greatest threats from our forests come from failure to manage them and prepare them for climate change and the large fires we know are becoming more prevalent.

The Administration's position seems to be that if the Forest Service continues to implement the Collaborative Forest Landscape Restoration Act (CFLRAP), receives renewed Stewardship Contracting authority, and is allowed to implement their proposed Integrated Resource Restoration line item, they will have all the tools they need to cope with the forest health threats they are facing.

⁹ Trust Lands in the American West: A Legal Overview and Policy Assessment; Peter W. Culp, Diane B. Conradi, & Cynthia C. Tuell, 2005, Sonoran Institute.

¹⁰ See, for instance, WA DNR: http://www.dnr.wa.gov/Publications/frc fsc-sfi certification factsheet.pdf, PA DCNR: http://www.dcnr.state.pa.us/forestry/stateforestmanagement/Certification/index.htm.

FFRC believes the CFLRP program – and any other collaborative efforts – needs hard targets – for acres treated and for timber outputs – to assure these projects are producing the promised benefits at a lower cost. Thus far, evidence on this front is inconclusive at best. We strongly oppose national implementation of the IRR budgeting approach because we feel it will diminish accountability with no obvious increase in project efficiency. And while we strongly support renewed Stewardship Contracting authority, we stress that Stewardship was not intended to replace or supplant the traditional timber sale program, which can still play a very positive role in accomplishing land management goals.

And as noted above, evidence suggests that simply collaborating, or using Stewardship contracts, does very little to reduce either the likelihood of a dilatory lawsuit or to reduce the unsustainable costs associated with "bullet proofing" even modest management projects from administrative and legal review.

Even if we agreed 100% with the Administration's approach, it is obvious to us that CFLRP, Stewardship Contracting, and IRR would be insufficient to reduce the level of conflict, obstruction, and delay created by a small minority of extremist groups. Leaving the status quo in place leaves a long and established roadmap to obstruction on the books without creating any benefit to the environment. We currently have a system which requires multiple layers of analysis, impenetrable public comment processes, forest plans which undergo revision so frequently (or not at all) as to make a joke of the idea of a "plan," and which forces the Forest Service to spend over \$350 million a year doing NEPA analysis.

What should be at best disagreements over approaches to land management have instead been turned into points of law, as the Courts have been invited to second guess and overanalyze even the smallest and most benign forest management projects. The resultant delays, reduced harvest levels, and uneconomic land management projects have helped drive out forest management capacity in most States where the Forest Service controls a substantial portion of the available forest lands. Lack of management, fire suppression, overstocked stands, and climate change have created a perfect storm that we now see manifested on the landscape. The 48 million acres of bark beetle outbreaks and the 25% of Arizona's pine forests which have burned catastrophically in the last 11 years are a monument to the status quo.

Alaska:

The Governor of Alaska, Sean Parnell, has worked with local communities in Southeast Alaska, including native corporations, local governments, and the timber industry, to develop a proposal for a State Forest to be designated out of the Tongass National Forest. Given the ongoing process of land allocation, and the apparent unwillingness of the National Forest System to market logs which meet the needs of the local industry, FFRC strongly supports this approach. The proposal by Gov. Parnell would keep harvests below levels proposed for the Tongass decades ago but never attained, while providing clarity to the local industry that the Forest Service is unwilling to provide. Experiments such as this are to be encouraged.

Locking in Conservation and Sustainable Timber Production:

A trust approach on lands which can support commercial timber production would focus on the small portion of the National Forest System which is supposed to be producing timber. Lands which have been set aside after countless hours of public involvement, Congressional review, and official designation as wilderness would remain off-limits to commercial harvest.

Agency resources, currently wasted by over-analyzing even modest timber sales or hazardous fuels projects, would be freed up to offer economic timber sales, or to fund restoration work through Stewardship contracts.

On acres designated for timber production, concrete management requirements would help spur investment in wood using industries and land management capacity. Existing mills would receive some assurance that the National Forests they depend on will produce reliable supplies of timber into the future. Economic development, currently stymied by a declining forest products sector and extreme wildfires, would be encouraged.

The American public would no longer be forced to bankroll a litigation driven analysis machine, and instead could spend the few dollars available to actually improve the condition of the National Forest System.

The situation currently facing the Forest Service is akin to a mouse, dropped into a maze with a piece of cheese at the exit. Only in this case, the exit has been sealed, the cheese removed, and the maze set on fire. While we can expect the mouse to work very hard, we can't expect a good outcome. Unfortunately, the maze here is the tangle of laws – and their interpretation in the courts – that Congress passed. Only Congress can provide an exit.

The current system is unsustainable, socially, economically, and ecologically. Piecemeal reforms hold little promise. The opportunity to change the management paradigm is here.