

IMPLEMENTATION OF THE PRESIDENT'S FOREST PLAN FOR THE PACIFIC NORTHWEST

OVERSIGHT HEARING

BEFORE THE

SUBCOMMITTEE ON NATIONAL PARKS, FORESTS,
AND LANDS

OF THE

COMMITTEE ON RESOURCES
HOUSE OF REPRESENTATIVES

ONE HUNDRED FOURTH CONGRESS

SECOND SESSION

ON

**THE IMPLEMENTATION OF PRESIDENT CLINTON'S FOREST PLAN
FOR THE PACIFIC NORTHWEST, ITS PROGRESS, AND EFFECTS**

JULY 23, 1996—WASHINGTON, DC

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IMPLEMENTATION OF THE PRESIDENT'S FOREST PLAN FOR THE PACIFIC NORTHWEST

TUESDAY, JULY 23, 1996

HOUSE OF REPRESENTATIVES, SUBCOMMITTEE ON NA-
TIONAL PARKS, FORESTS AND LANDS, COMMITTEE ON
RESOURCES,

Washington, DC.

The Subcommittee met, pursuant to notice, at 10:08 a.m., in room 1334, Longworth House Office Building, Hon. James V. Hansen (Chairman of the Subcommittee) presiding.

STATEMENT OF THE HON. JAMES V. HANSEN, A U.S. REP- RESENTATIVE FROM UTAH; AND CHAIRMAN, SUBCOMMIT- TEE ON NATIONAL PARKS, FORESTS AND LANDS

Mr. HANSEN. The Subcommittee on National Parks, Forests and Lands convenes today for our seventh oversight hearing on Federal forest land management issues. Today, our focus will be on the implementation of President Clinton's Forest Plan for the Northwest, also known as Option 9, after the alternative that was selected to guide future management of the Federal forests within the range of the Northern spotted owl.

The plan covers 24.5 million acres of national forest and Bureau of Land Management lands in Washington, Oregon, and Northern California. It was developed and adopted after the President convened his Forest Conference in April 1993, having made a campaign promise to solve the forest management gridlock in the Northwest. The plan calls for a significant reduction in Federal timber sales and allows forest management activities on only 12 percent of the Federal land base. Twenty-one-and-one-half million acres are reserved by the plan in protected status for wilderness, for lakes, successional and riparian reserves, and other administrative withdrawals and adaptive management areas where limited management and research is to be conducted following extensive additional planning and analysis.

Along with establishing the reserves, Option 9 created a complex interagency decisionmaking process that I hope the witnesses will clarify for us today. Forest supervisors and regional foresters or BLM district managers used to make their own decisions for the Federal land under their responsibility. Now, they must defer to 12 Provincial Interagency Executive Committees, a Regional Interagency Executive Committee, a Regional Ecosystem Committee, and an Office of Forestry and Economic Development who all must have a say in Forest Service and BLM decisions.

In addition, there are advisory committees to the provincial and regional executive committees and regional and State economic revitalization teams called CERT teams, which play a role in this process.

Option 9 has now been in effect for over two years and the subcommittee would like to know how it is working. Have the new advisory and interagency committees enabled the Forest Service and BLM to get on with their work, and provide the promised results? Has it reduced the cost of doing business? What is preventing the Forest Service and BLM from meeting the annual sale level of one billion board feet that was promised? And how many and what kinds of new jobs are being provided by the retraining programs in these three States?

I hope our witnesses will also tell us how President Clinton's plan has affected forest health and ecosystem conditions in the Northwest, but I am concerned that Secretary Glickman's recent direction restricting the use of salvage sales will hinder the Forest Service's ability to meet the goals of the Clinton plan: balancing the needs of forest ecosystems with the needs of local and regional economies. I hope Secretary Babbitt does not intend to issue similar directions to the BLM.

Finally, I look forward to learning when we may expect to see this forest plan fully implemented. Even those who criticized the cumbersome management requirements and low planned outputs promised by the plan back in 1994 must now be wishing that even the planned goals could be achieved.

The Clinton plan was supposed to solve the gridlock by developing and implementing a process to achieve stable outputs for local economies while protecting the environment in the Northern spotted owl region. So far, all the evidence that we have seen shows this is failing. I hope the administration and other witnesses will surprise us by describing how things are improving. We do not want a smoke and mirrors analysis. Instead, we would like to learn how the President's promises could be achieved in the future.

I thank our members for appearing before us today. I understand Mr. Dicks will not be able to be here, and I do not see the other members, Wally Herger and Frank Riggs. I will turn to the able gentleman from New Mexico, the distinguished ambassador, Mr. Richardson.

**STATEMENT OF THE HON. BILL RICHARDSON, A U.S.
REPRESENTATIVE FROM NEW MEXICO**

Mr. RICHARDSON. Thank you, Mr. Chairman.

I cannot believe my eyes. It is 10:06. Unless you gave a six-minute opening statement, this is the first time the subcommittee has started a minute late.

Mr. HANSEN. If I may explain and apologize and repent, I got caught by a TV camera coming over and they just had to talk to me about the armed services bill, so I apologize to all of you.

Mr. RICHARDSON. Thank you, Mr. Chairman.

Let me just say that on the President's forest plan, prior to the President stepping up to deal with this issue, there was gridlock in the Pacific Northwest. No trees were being cut. Programs for restoration of the ecosystem were fragmented. I think the Presi-

dent changed all that and got the forest working again in a proactive way.

I think the administration is to be commended for its commitment of personnel and money to address a problem. Some may complain about the pace, but we need only to look at where we were to see how far we have come. The biggest single threat to the success of the President's plan has been the timber salvage rider enacted by this Congress, and as we know, in the Pacific Northwest, the salvage rider was not about salvage logging. It was about releasing Section 318 sales to allow the cutting down of healthy green trees, regardless of the environmental consequences.

Again, Mr. Chairman, the Forest Service, the administration is to be commended for holding the plan together after, regrettably, the plan was undercut by the timber salvage rider. But again, Mr. Chairman, thank you for letting me make this opening statement.

Mr. HANSEN. Thank you. I appreciate the gentleman's comment. The gentleman from Oregon, Mr. Cooley, is recognized.

STATEMENT OF THE HON. WES COOLEY, A U.S. REPRESENTATIVE FROM OREGON

Mr. COOLEY. I appreciate the chairman for having these hearings. I think that it needs to be aired on what has exactly happened in the last couple of years.

I strongly disagree with the minority leader. I do not think that the timber salvage bill was really a 318 bill. I think it was a real, true effort on the part of the Congress and on the part of the administration, as well—that is the reason they signed on to it—to go ahead and do a win-win-win, clean up the forest, replant, and produce some productive jobs in the Northwest part of the United States in the timber area.

The 318 rider in that section was merely to relieve a bill that had been passed clear back in 1989 and been held up by litigation from that time up until the timber salvage bill. It is too bad it was painted into that corner and that picture that we were logging "without laws", which was absolutely not true.

So I think that some of these hearings will clarify and straighten out some of the misconceptions about that particular legislation and I appreciate the chairman's effort on this behalf. Thank you.

Mr. HANSEN. Thank you very much.

Seeing as we do not have our two members who were going to be here to open this, we will start with our first panel and we will take the members following this panel, if they show up.

We have Sue Kupillas, Jackson County Commissioner. She was with us in Roseburg. We appreciate her being here. We also have Joan Smith, Dr. Bob Lee, and Mr. Bob Olson. If these four folks would like to come forward, we would appreciate it. We thank you for being here. I point out that we are down to the last few days of this session of Congress.

As you know, there are a lot of breaks as it is an election year, and so we are going to hold you to five minutes. Is that all right? Right in front of you, there is a red and green and yellow light. It is like when you are running a traffic light—be careful. We will give you each five minutes.

I notice my two colleagues walked in. Stay right where you are. If my two colleagues would please come up here, we are going to put you up here, if that is all right, and give you a moment. These folks do not mind sitting a minute as you come up. All the way up here, Mr. Herger and Mr. Riggs, if you would, right up here close, so we can hear you. We appreciate you two being here, even though you are both late.

Mr. RIGGS. If the record would note, we had baseball practice this morning.

Mr. HANSEN. First things first. I understand the priorities around here.

Mr. HERGER. It was a charity game that we play here, Mr. Chairman.

Mr. HANSEN. Of course. Anyway, if you two baseball players would like to go. We are very grateful to have these two very distinguished gentlemen from California who really have a great understanding of this issue. Mr. Herger, and then Mr. Riggs.

STATEMENT OF THE HON. WALLY HERGER, A U.S. REPRESENTATIVE FROM CALIFORNIA

Mr. HERGER. Thank you, Mr. Chairman and members, for inviting me to join you today.

This Subcommittee has worked long and hard to provide oversight on a broad range of forest management issues. Today's subject, President Clinton's Northwest Forest Plan, or Option 9, as it is commonly called, may very well be the most important forest management subject we will address this year.

I would like to begin by welcoming two of my constituents who have joined us today. Supervisor-Elect Joan Smith is with us from Siskiyou County, California. Also joining us is Gerry Bendix of Hi-Ridge Lumber Company in Eureka, California. Joan and Gerry, it is good to have you here and we all look forward to hearing your comments.

Mr. Chairman, it is not often that I agree with President Clinton when it comes to forest management. However, I fully concur with a statement he made in 1993 at a press conference announcing Option 9. At that time, President Clinton said that, "The Pacific Northwest requires both a healthy economy and a healthy environment and that one cannot exist without the other."

It is only appropriate, therefore, that we hold this hearing to determine whether the Clinton forest plan is successfully preserving both our environment and our Northwest economies. Perhaps the best place to begin is the health of the environment. I draw the Subcommittee's attention to two photographs taken within two late successional reserves in Northern California. These are two small portions of the 21 million acres permanently set aside under the Clinton plan for little or no human management. The stated purpose of late successional reserves is to protect old growth forest ecosystems and habitat for species like the spotted owl.

The first photograph is of a burned late successional reserve on Lick Creek in the Klamath National Forest in my district. The second is of a blow-down in a late successional reserve along the Lone Pine Ridge in the Six Rivers National Forest bordering my district and Mr. Riggs' district.

As you can see, pictures truly paint a thousand words. The Lick Creek site burned in 1994 in a fire that covered over 27,000 acres. The Lone Pine Ridge site was part of a blow-down 17 miles long and seven miles wide. Both sites are now eminently susceptible to insect infestations, disease, and wildfire. The local Forest Service believes both are in immediate need of emergency salvage harvesting under the salvage law to protect our habitat, begin forest reforestation, and to provide several million board feet of timber for local mills.

Tragically, however, the Clinton administration has forbidden it under a recent directive from the administration restricting implementation of our Congressionally passed timber salvage law. Mr. Chairman and Members, these scenes can be repeated over and over again in the Option 9 forests of Northern California. Washington, D.C., policies which mandate doing nothing are literally destroying the health of our forests. Tragedies like Lick Creek and Lone Pine Ridge are the direct consequences of Washington, D.C., dictating local policy under the salvage law.

But even without the salvage law, the Clinton forest plan would still prevent local managers from treating these sites. To better explain what I mean, I would like to show the Subcommittee a chart that illustrates the process the Clinton plan requires local managers to follow in order to treat areas like Lick Creek and Lone Pine Ridge. By way of explanation, the yellow and red portions represent the additional process required under Option 9 that is not otherwise required under current law.

If you find this process unusually complicated or long, you are not alone. So do our local forest managers. I am told by the people on the ground that it is not unusual to take the full three years shown on the chart to treat sites like Lick Creek and Lone Pine Ridge. This is without litigation.

Unfortunately, the Douglas fir and Ponderosa pine trees in Lick Creek will be badly, if almost completely, deteriorated within three years. The white fir trees at Lone Pine Ridge will be worthless within 18 months. When and if these sales do go to bid, nobody will bid on them because they will be practically worthless. As a consequence, nothing will be accomplished on either site. Lick Creek and Lone Pine Ridge will be a total loss to the forest, to local communities, and to the American taxpayer.

With impossible situations like these, it is little wonder that the Clinton plan has yielded in 1994 and 1995 combined only one-quarter—

Mr. HANSEN. Mr. Herger, maybe the folks in the audience would like to see it. If you would walk up the side of the dias here, I think everyone could see that. But if you are not interested in that, we understand. Go ahead.

Mr. HERGER. With these impossible situations, it is little wonder that the Clinton plan has yielded in 1994 and 1995 combined only one-quarter of the two billion board feet that Secretary Babbitt in a July of 1993 press conference promised the administration would harvest in 1994 alone. President Clinton's statement was true. As we lose places like Lick Creek and Lone Pine Ridge, our local economies in Northern California are sure to follow.

In 1994, the same year as the fire that burned Lick Creek, the local mill in Happy Camp, only a stone's throw from Lick Creek, closed permanently for lack of timber. Last May, the local mill in Hayfork, just to the northeast of Lone Pine Ridge, also closed permanently for lack of timber. Hayfork is the thirtieth mill in my district to close in recent years. The tragic irony of Hayfork is that the surrounding forests contain enough dead and dying timber to have kept this mill operating for another 15 years.

Mr. Chairman, it should come as no surprise that Trinity County, where Hayfork is located, has unemployment rates consistently ranging from 15 to 24 percent. It should come as no surprise that 80 percent of the children in Happy Camp Elementary School receive free or reduced meals. President Clinton predicted it would happen. His forest plan and forest management directives issued from Washington are making it happen.

Mr. Chairman, to close, I would like to submit for the record a letter to President Clinton I received recently from Nadine Bailey, a former constituent of mine. Nadine tells the tragic story of a promise President Clinton made to her daughter, Elizabeth, in 1993 and the events that have transpired since. Time will not allow me to read the letter, so I encourage every member of the Subcommittee to do so. Nadine and Elizabeth used to live in Hayfork while the mill was still operating. Their story puts a profoundly human face on what I have been talking about.

[The letter may be found at end of hearing.]

Mr. HERGER. Mr. Chairman, again, I thank you for holding this hearing. The people of Northern California deserve some answers. The towns of Happy Camp and Hayfork deserve some answers. Nadine and Elizabeth Bailey deserve some answers. Hopefully, we will be able to provide a few today. Thank you.

Mr. HANSEN. Thank you for your excellent testimony.

Mr. Riggs?

**STATEMENT OF THE HON. FRANK RIGGS, A U.S.
REPRESENTATIVE FROM CALIFORNIA**

Mr. RIGGS. Thank you, Mr. Chairman and other members of the Subcommittee.

I am sure I speak for my good friend and colleague and neighbor, Mr. Herger, when I say that we both very much appreciate the opportunity to testify today before the Subcommittee and to sit with the Subcommittee for a short period of time.

I probably could sum up my testimony simply by saying that I ditto everything Mr. Herger just said, but at the risk of echoing some of the crucial points that he made, let me just say that this series of oversight hearings is of critical importance to my Congressional district. We are very interested in evaluating the short and long-term consequences of this administration's current forest management practices, and for that matter, their whole public land strategy for the Western United States. Without question, the President's policy in the Pacific Northwest and Northern California is in need of in-depth examination, and in my view, drastic reform.

The imposition of the Northwest Forest Plan, or Option 9, saw the single most radical shift in management policies of our nation's forests since the creation of the Forest Service in 1897. In the past

three years, my district has seen the Forest Service evolve from a producer of domestic wood fiber to an ineffective custodian of Federal forest lands bound by executive decisions, conflict, and court orders.

The Six Rivers National Forest, covering over one million acres in my Congressional district, illustrates the unintended but serious consequences of the President's flawed forest plan. Annual harvest levels in the Six Rivers have been slashed from a high of 188 million board feet ten years ago to just three million board feet in 1994. The Forest Service estimates that annual tree mortality on the Six Rivers alone is 100 million board feet. Furthermore, the Forest Service estimates that the forest is growing by 250 million board feet every year.

The massive reduction in harvest levels is primarily a result of over 91 percent of the land base in the Six Rivers being withdrawn from any timber sales or timber harvest program through Congressional or administrative action. The remaining nine percent is under administrative directive to be managed to produce old growth timber.

Mr. Chairman, I do not have to explain to this Subcommittee that the administration's policies have essentially shut down an important component of our regional economy on California's North Coast, destroying many living wage jobs in my Congressional district. Unemployment runs in the double digits. There is stable double-digit unemployment, placing an incredible burden on the social and economic infrastructure of one of the most rural areas of California.

In addition, over 30 percent of our land base in the three counties of the California North Coast are publicly owned, resulting in a commensurate loss in the local tax base, not totally made up or offset by payment in lieu of taxes.

The change in forest practices imposed by Option 9 in the Pacific Northwest, and specifically in California, endangers the health of the forest, damages rural communities, places increased pressures to harvest timber on private lands, that is to say, to over-harvest or accelerate the harvest on private lands, and leads to a reliance upon foreign imports to meet our domestic wood fiber needs.

One of the most surprising results of the Northwest Forest Plan has been the rise in timber imports. One company, one independent mill in Humboldt County, California, the largest county in my Congressional district, is now importing logs from New Zealand, with plans to import additional timber from South America and Mexico. It is tragic and ironic that timber companies in my district must import timber from developing nations when we live in the middle of the most productive forest lands in the world. Timber stands continue to be idle while salvage builds up on the forest floor, awaiting the next devastating fire.

The net result is the degradation of timber stands in our nation and in nations that have little or no environmental protections. Here in the United States, we know how to harvest timber in a sustainable manner while providing a healthy log supply to our local mills. The nations we are importing logs from simply do not have comparable safeguards to protect their natural resources.

Mr. Herger just a moment ago alluded to the President's timber summit or forest conference in Portland three years ago when he and the Vice President traveled there to promise relief to our timber dependent and resource dependent communities that have been hard hit by the spotted owl injunctions. In the years since, the Community Economic Revitalization Teams have distributed monies to initiatives such as market analyses, economic studies, and recreation centers.

Programs such as Jobs in the Woods, which I often hear touted by the environmentalists—I am talking about the militant professional environmentalists—as a substitute for living wage jobs in the timber industry have, in fact, yielded short-term river restoration projects without providing any prospects of long-term employment or economic development.

In Lake County in my Congressional district, a CERT program has been recently approved to establish a Watershed Information Network on the Internet for acquisition and exchange of information. In Del Norte County, at the far northern end of my district against the Oregon border, CERT money is now being used to construct a welcome center and exhibits to go in that welcome center.

Mr. Chairman, while these projects are laudable, the North Coast is still a resource dependent area and service sector jobs provided by CERT will never take the place of the living wage resource industry jobs which have long been the economic mainstay of my district. The prospect of long-term dependence on Federal handouts results in a de facto form of welfare which only serves to demean our formerly self-sufficient counties.

The Federal Government has driven a stake through the proud heart of our timber country. Communities in Northern California are anemic and in urgent need of available timber to rectify the havoc wrought by this administration. Make no bones about it. This administration, while every once in a while making sort of a good faith gesture in the direction of the timber industry, remains beholden, particularly in an election year, to the increasingly militant professional environmental element in this country, like the Sierra Club, which recently came out in favor of a complete ban on all commercial logging on Federal forest lands.

We must mend the damage of this failed national environmental policy that has destroyed entire communities and actually worsened the health of our national forest. If we truly desire healthy and viable forests, we must put forth a balanced approach to forest management that seeks to preserve our national resources while not destroying our communities, and I am convinced we can do that. We can protect our natural resources. We can conserve and husband them wisely without destroying jobs and entire resource dependent communities.

Again, thank you, Mr. Chairman, for your attention to this issue which is of utmost importance to my district and our nation.

Mr. HANSEN. Thank you very much.

Of our Members who were witnesses, Mr. Dicks asked to be excused. We appreciate you being here.

We will now turn to the first panel. We will give you each five minutes. Sue Kupillas, we will start with you. If you would all pull

the microphone relatively close to you and speak up, we would really appreciate it.

**STATEMENT OF SUE KUPILLAS, JACKSON COUNTY
COMMISSIONER, OREGON**

Ms. KUPILLAS. Thank you, Chairman Hansen and members of the Subcommittee. I am Sue Kupillas, second term Commissioner serving in Jackson County.

The Federal Government exerts an overwhelming influence on our citizens and our communities. The BLM manages 449,000 acres in Jackson County alone and about half of our county budget historically has been revenues from timber harvest on Federal lands.

These receipts have funded an array of services. The U.S. Forest Service contributed to roads and schools. O&C general fund revenues supported the criminal justice system, administrative services, and small contributions that sustained human service nonprofits, as well as things like OSU extension service and 4-H programs, the Water Masters Office, et cetera. The county has downsized, combined departments, eliminated functions, and privatized, anticipating the shortfall with changing forest management practices. We wrote the book on reinventing government.

While Jackson County is putting two tax levies on the September 17 ballot, the amount asked for will not make up for the decline in O&C funds. If the O&C revenue would disappear tomorrow, Jackson County would no longer be able to support a county criminal justice system. Of the \$11.4 million of current safety net from O&C, \$10.3 million is dedicated to criminal justice. The people of Jackson County voted in support of a criminal justice levy to meet increased demands. As these safety net dollars from O&C are ratcheted down, we must ratchet down the criminal justice system. This is in a county that has one of the highest crime statistics in Oregon and one of the fastest-growing crime problems in the region.

Also, in the addendum attached, you will see a list of cuts in services that will happen if the proposed library and general services do not pass September 17. One model is a family service center, a model program for the State of Oregon and the nation. It brings together Federal, State, and county services, as well as the local school district. The mission is development of an integrated system to better serve the families, to bring self-empowering services to people willing to share the responsibility for themselves and each other. It is one of the most successful projects in the State. Many of these families are dislocated timber workers. As a result of the budget cuts and decline in O&C revenues, Jackson County will no longer be participating in this Rogue Family Center program.

Every one of the services listed will have cumulative damaging effects on the social structure and economics of Jackson County. When timber revenues decline, social systems decline, family wage jobs decline, crime rises, and criminal justice systems are reduced. It just does not work.

Another impact of the dollars allocated to address problems created by the President's forest plan on Jackson County and other counties is the Jobs in the Woods program. A memorandum from

the Job Council, which I have included, shows the program has six people entering employment with a cost of \$6,308 per person in 1995 and 14—actually, it is 13 now—in the 1996 program at \$6,857 per participant. We should continue this program as one small component of training for the Job Council programs that give preference for dislocated timber workers. I do not support characterizing this program as having a major impact on displaced timber workers. We have hundreds of them in Jackson County and it only serves 13 in this program.

To that end, I emphatically support maintaining a timber sale program from Federal lands. I also support transfer of the O&C lands to the State of Oregon, where we are leaders in combining good forestry, good science, and a strong social and economic system.

The President's forest plan and the record of decision require creating a condition that has never historically existed in the forest. One example under the standards and guidelines for the plan, there is a requirement for coarse woody debris of 120 linear feet 16 inches in diameter that has to exist on every single acre for the matrix lands. One sale observed by the implementation monitoring team in the Butte Falls district, which was marked and sold but not logged, the natural condition was that the stand had never been entered, the 90-year-old product of a stand replacement fire in its natural condition.

The ground did not meet the requirement for coarse woody debris required by the record of decision and it must be met now by artificially cutting trees and leaving them to meet this artificial standard. The stand should be managed and thinned to release the stand and promote late successional characteristics, which would, in time, provide for coarse woody debris on its own. The conditions in the forest are not uniformly the same, thus, defy this prescriptive approach. We cannot assume and create a scenario where every acre of the forest has the same prescription.

The AMAs are bound by the same administrative minutiae prescriptions and the one that, of course, we have in our area is the Applegate partnership. They also have to deal with concerns of elk thermal cover, big game winter range, visuals, archeological sites, ephemeral streams, wildlife connectivity corridors, and sensitive plants that are neither threatened nor endangered. The Squaw-Elliott timber sale is in the Applegate, where the stand has been identified as a high fire hazard and risk.

Under guidelines in both the Rogue long-range management plan and the Northwest Forest Plan, there are all the concerns mentioned above. Even in the AMA, we cannot accomplish a common sense goal of reducing fire hazard because of regulation and cost escalation. It is recommended that we helicopter logs.

Another example of the application of the record of decision for the President's forest plan is the snowdown/blowdown timber in Jackson and Douglas Counties, and I want to give credit to the Rogue River National Forest, which has jumped on this with rapid attention. The Jackson County Natural Resources Committee and Headwaters, the environmental group, have been meeting with the team to look at this.

There were several winter storm events that contributed to downing significant amounts of timber in the Butte Falls and Prospect and Umpqua ranger districts. Logging contractors have cleared campgrounds and roads and are working on the matrix lands. They have found double the amount of wood estimated, so the amount of downed wood is probably two to three times the estimated 20 million board feet. The team is concentrating on what can be done in the LSRs, and I have maps to show you, if I could step away from the microphone for a minute.

Mr. HANSEN. Go ahead. We will recognize you for a minute longer.

Ms. KUPILLAS. This is the Prospect area. The areas of snowdown/blowdown, they are hard to see but they are little red blips on this. There are about probably 40 to 60 million board feet of timber down. You do not have to take a chain saw to it. These are the late successional reserve areas in brown that cover these. The matrix lands are being cleared.

But by the time you put a scenic, which is in the green, a scenic waterway through the middle and then take out all the riparian areas, then you will see that we have a significant problem in removing any of this timber.

The problem is that we have so many overlays. The etimologists have told us that we will lose three green standing trees for every downed tree that is there, and we have reports that show it could be far more significant than that. The fire specialists tell us that there already was an overburden of wood on the floor of the forest. That could be a fire hazard, and now this has escalated to an extreme hazard. We need to remove the wood immediately.

The problem that we are having is, I have talked to everybody from all different levels to find out what we can do. The final decision, some people say that we cannot remove any wood from LSRs. Some say that it will be up to the forest supervisors to do it. Some say that the regional ecosystem office has the final say about it, or at least it is a screen that it has to go through. Anyway, it is very confusing, who has the final say, but we are working on this. The Medford BLM district also has downed timber and they will do whatever we decide on this team to do.

I guess, in summary—oh, there was also some suggestion that the ecosystem office in the White House might also be involved in this decision.

I suggest that this plan should be clarified and simplified, less prescriptive, letting the local supervisors have flexibility necessary to manage and make it clear that wood production is part of the management. As a local elected official, I have devoted two terms to helping empower and strengthen local communities. There is a great deal of mistrust in a top-down prescriptive system heavy with regulation and laced with punishment. The system of local empowerment I am describing is built on trust and confidence and people making right decisions in local communities with their local forest. Surely this is the system we want for the United States. Thank you.

[The statement of Ms. Kupillas may be found at end of hearing.]

Mr. HANSEN. Thank you.

Joan Smith, we will recognize you for five minutes. I would appreciate it if you folks will strive to stay within your time.

STATEMENT OF JOAN SMITH, SUPERVISOR-ELECT, SISKIYOU COUNTY, CALIFORNIA

Ms. SMITH. Thank you, Mr. Chairman. I am Joan Smith and I am a newly-elected county supervisor, Supervisor-Elect for Siskiyou County, California. I am here today to report to you how Option 9, the President's forest plan, has affected my county.

The Federal Government controls 64.5 percent of the land in Siskiyou County. In April of 1993, when President Clinton held his Forest Conference in Portland, he promised relief to our depressed forest communities. Those of us who attended that conference were given hope by the President at that time. He promised relief for our long-suffering communities. The relief he promised us has never come.

Our communities are still suffering, and some of them, such as Happy Camp, California, have all but died. The only large business in that town was a sawmill. Two years ago, the sawmill closed its doors and laid off all their employees, eliminating \$14 million in annual payments to loggers, truckers, machine shops, and local businesses. The town died, businesses closed, and Happy Camp is virtually a ghost town.

I do not want to see this repeated throughout our region, especially when it is completely unnecessary. No one wants healthy, sustainable forests more than the rural people who live within them. I am saddened that Option 9 appears to be a public relations facade.

The majority of the people hurt by reductions in logging are self-employed loggers or those who work for small family-owned businesses, not greedy multinational corporations. For example, my friends, Lonny West and his partner, Clyde Ashenhurst, in Siskiyou County own a small logging company. Before the President's plan, they employed 25 employees and had an annual payroll of \$453,000 annually. They gave their employees good health insurance and profit sharing.

Over 80 percent of Lonny's work is Federal timber sales, making him vulnerable to swings in Federal timber policy. Lonny is currently not working and his partner, Clyde Ashenhurst, has applied for unemployment for the first time in 26 years, since he began in the logging industry. None of Lonny's employees or former employees have gone through the retraining program set up in the President's forest plan.

Siskiyou County has lost 65 percent of its loggers over the past six years. We have lost half of our high-paying manufacturing jobs due to mill closures resulting from reductions in timber sales due to Option 9.

Reducing timber jobs has not resulted in a more diversified and healthy economy. Losses in high-paying timber jobs have been replaced by increases in lower-paying service sector jobs. Suddenly, displaced middle-aged workers are competing with their own children for the same jobs flipping hamburgers and waiting tables for minimum wage.

The President's response to losing these manufacturing jobs has been the Northwest Economic Adjustment Initiative. Originally intended to help displaced timber workers find jobs, the money has been spent on community development, feasibility studies, and infrastructure, instead. The majority of the money allotted Siskiyou County has been spent on city water and sewer extensions and a new hospital.

One of Option 9's programs to help displaced workers is known as Jobs in the Woods. This program created in Siskiyou 2,775 person days of employment in fiscal year 1994, which sounds impressive. However, 2,775 days is only one year's employment for 11 people.

This type of government assistance program has been tried before. Because dislocated workers move away, training programs must be implemented quickly or program officials will lose contact with the dislocated workers. This is happening again. According to a GAO report, *Dislocated Workers: A Look Back at the Redwood Employment Training Program*, "Efforts to provide retraining cannot sustain workers or the communities in which they live without the creation of new jobs."

According to a Region 5 Forest Service Community Coordinator, "If we took \$800,000 and put it into wages, the money would be spent and the jobs would be over, whereas if we take the money and invest it to make communities a better place to live, it is a better long-range investment. That is really hard for some people to swallow who are currently displaced." In other words, the people most affected by the change in forest policy will be the least likely to receive help. This kind of arrogance in the face of such hardship and misery is unconscionable.

As a member of the Klamath Province Advisory Committee, I have been attending meetings throughout Northern California and Southern Oregon for the past 14 months. As you can see by the attached flow chart, trying to get our recommendations to the administration through the three or four levels of bureaucracy created by the President's forest plan is nearly impossible.

Of the 28 people on this PAC, two-thirds are agency representatives, and there are also four tribal representatives. The head of the PAC is also the head of the RIEC. Therefore, she makes recommendations to herself or her committee, most of whom already sit on the PAC. The efforts of this redundancy were quantified by a Forest Service employee who stated, "If I did not have to spend so much time on this committee, I would be able to complete the environmental reviews necessary to offer an additional 20 million board feet of timber each year." Clearly, the President's forest plan is more concerned with process than results.

The Klamath National Forest grows 438 million board feet of timber each and every year. So far this fiscal year, the Klamath has sold 30 million board feet, nearly all of it due to the salvage rider. Secretary Glickman, under the direction of the President, recently rescinded authority and placed restrictions on the implementation of the salvage rider. This will result in a loss of timber offered by 50 percent for the remainder of this fiscal year on the Klamath. With current imports from Canada accounting for one-third of U.S. consumption—that is one in three boards—this ad-

ministration favors Canadian workers at the expense of American jobs.

I would like to conclude today by quoting from a letter written to President Clinton by my good friend, Nadine Bailey, several months ago. Nadine has spent the last four years of her life fighting for her community of Hayfork. Nadine and her family have been forced to move out of the town that she grew up in, the house that her parents built and that she has lived in all her life, to find work outside the Pacific Northwest.

Nadine wrote, "I read a press release where you said that the salvage rider is undermining the healing process that Option 9 has produced. Do you actually believe this? Do you even remember the workers whose wounds were not healed, whose pain and loss was simply swept aside? Grants from Option 9 do not make their way to unemployed loggers. Nothing I have done over the last four years seems to have made a difference. Families are starting to leave the area. For the first time in my life, I have no hope. All I wanted was to keep our families together. When that hope died, I guess a part of me did, too."

On behalf of Nadine and the rest of my friends who have lost their jobs, homes, businesses, and way of life to the President's plan, please make the tough decisions to give reason to hope for ourselves and our children. Thank you.

[The attachments to statement of Ms. Smith may be found at end of hearing.]

Mr. HANSEN. Thank you.

Dr. Bob Lee?

STATEMENT OF ROBERT G. LEE, PROFESSOR OF FOREST RESOURCES, UNIVERSITY OF WASHINGTON

Mr. LEE. Mr. Chairman, members of the Subcommittee, my name is Bob Lee and I currently serve as Professor of Forest Resources at the University of Washington. My comments today reflect my professional opinion and do not reflect the College of Forest Resources, University of Washington, nor any other persons or institutions.

My testimony will summarize answers to six questions contained in a 1995 socio-economic study of 72 Washington, Oregon, and California counties in the spotted owl region. Because there have been no systematic social or economic evaluations of Option 9, these data, although dated, will provide essential background information for looking at the accomplishments and potential contributions of Option 9.

The first question: how have wood products employment and earnings been affected by the decline in the sale and harvesting of Federal wood between 1988 and 1992 (the most recent data for which we could get all the information)? Losses in wood products employment and earnings have been greatest in the 15 rural counties most reliant on Federal wood. Federal wood reliant counties exhibited the lowest rates of growth in total employment and employment earnings during this period. Job losses have continued to accumulate since data were collected.

Question two: have counties reliant on Federal wood supplies faced a greater challenge in revitalizing their local economies? In-

dustrial wage jobs averaging about \$30,000 were replaced by service sector jobs at one-half to one-third the earnings (see Table 2 in the written testimony). The employment multipliers of these industries providing service jobs were less than half of those in the wood products industry. Six of eight highly or moderately challenged counties relied most heavily on Federal wood supplies. Challenges are faced increasingly by scores of communities within counties and were not revealed by this study because only county-level data were available.

Question three: has reduction in wood supply required by the President's forest plan affected the ability of counties to meet these challenges? The President's forest plan, exclusive of court injunctions, would reduce Federal sales in the owl region by about 600 million board feet, translating into an additional 5,600 jobs. Six already highly challenged counties, including four counties heavily dependent on Federal timber, were projected to lose between two and 20 percent of their total employment.

Question four: could recreation and tourism growth help counties meet these challenges? Tourism growth occurred in only one of 15 counties facing the challenge of economic revitalization. Ten of the 15 challenged counties exhibited tourism employment decline of ten percent or more. Tourism is a poor substitute for family wage industrial jobs lost to the decline of the wood producing industries. Work in tourism establishments is generally seasonal, unstable, low paying, lacking in benefits, low skilled, does little to train people for advancement in careers, and is generally limited to secondary employment for spouses or primary employment for individuals, especially single women, living in poverty.

Question five: would secondary manufacturing help counties meet these challenges? Secondary manufacturing is generally lowest in counties facing the greatest challenge of economic revitalization. Table 4 in my written testimony shows the limited potential for secondary manufacturing employment to substitute for the loss of logging and sawmilling jobs.

Question six: would allocation of future Federal timber harvest to small businesses help counties meet these challenges? Small mills have been disproportionately impacted by the sudden reduction of Federal timber sales, and those counties most reliant on Federal wood supplies are now most challenged to replace family wage jobs provided by these small mills (exhibited in Table 5). Results from another study show that the wood products industry is a relatively stable source of employment when compared with other manufacturing industries, that employment stability is greatest in small places of work (Figures 1 and 2), and that smaller establishments are more stable than larger establishments.

In summary, counties most reliant on Federal wood supplies are generally the most challenged by the need for economic revitalization. Tourism is unlikely to be of much help for these counties facing economic challenges. Secondary manufacturing may help some of these challenged counties but will mainly be concentrated near urban areas where transportation modes and markets are accessible. And finally, small wood products businesses engaged in primary manufacturing provide the best opportunities for challenged

counties to develop a stable and sustainable economic base. Thank you very much.

[The statement of Mr. Lee may be found at end of hearing.]

Mr. HANSEN. Thank you, Doctor.

Mr. Bob Olson?

STATEMENT OF BOB OLSON, PRESIDENT, LOCAL 78, ASSOCIATION OF WESTERN PULP AND PAPER WORKERS, PORTLAND, OREGON

Mr. OLSON. Good morning. My name is Bob Olson. I am a machine operator at the James River Corporation in Portland, Oregon. I am also President of Local 78 of the Association of Western Pulp and Paper Workers, AFL-CIO, and am an active member of the Pulp and Paper Resource Council.

It is on behalf of the more than 200,000 members of the AWPPW and the PPRC that I appear before you today, and it is on behalf of these men and women that I tell you today that Option 9, the Clinton administration's forest management plan for the Pacific Northwest and Northern California, is an unmitigated failure for the working men and women of the forest products industry, our communities, and our families.

I have worked in the pulp and paper industry for more than 28 years. When I first started as an employee of Crown Zellerbach Corporation, I thought I had a pretty secure future. I thought I had a job that would allow me to provide for my family and help my kids have the things that I could not have when I was their age. Sure, we had our scrapes with management, some of them pretty bad, but together, we learned how to take care of our forests so that we would be able to harvest trees for generations to come and protect wildlife at the same time.

Then everything went horribly wrong. All around us, mills are closing, good men and women are losing their jobs, and communities are dying, and why? Simply because some men, or some people—excuse me—do not like or understand what we do. They do not believe in balance. They do not see that we understand the importance of protecting wildlife and our environment, and they do not see that we know we can balance these concerns with the economic needs of working people and communities.

When President Clinton announced Option 9, most of us thought, well, it does not provide much volume of timber only roughly 20 percent of what we harvested a few years before, but at least it is something. The truth is, the volume promised has not come through and it is good working men and women who have suffered for it.

Since 1989, we have lost more than 23,000 jobs in our industry as more than 280 mills have closed due to a lack of the timber supply throughout the Pacific Northwest, Northern California, Montana, and Idaho. Now that number, 23,000, may just be a figure to you, but to me, it represents people I know, friends of mine who thought they had a secure future one day, only to wake up the next and find themselves on the unemployment line.

I am lucky. Our plant is not directly impacted by the timber harvest reductions that have resulted from Option 9, but I can see the storm on the horizon. Our brothers and sisters at the James River

Corporation mill over in Camus, Washington, who supply us with paper, have been hearing rumors that their operation will soon shut down. As paper mills close up and down the coast, we will have to purchase our paper supply from further and further away. At some point, it will not be cost effective and our management will have to make some tough decisions.

Already, our plant is going through a serious downsizing in which we will reduce our workforce by about 40 percent. Some may say it is just part of the corporate trend, but most of us know that the workforce reduction is due in no small part to a tight timber supply and a fear of the future.

I do not know if people back here understand what it means when a mill shuts down. In Washington, D.C., you may not notice it if a few hundred people lose their jobs. It may not have much of an impact on the economy. But in many of the small towns where timber workers live and try to earn a living, a loss of even 100 jobs can be devastating. In most cases, the entire economic and social fabric of the community revolves around the mill, and when it dies, there are few employment opportunities left. At least, there are not many that come at a decent wage. I have seen the ghost towns that are created when the mill goes down. I have seen families torn apart. I have seen good men and women turn to alcohol abuse. I have seen them reach the depths of depression.

I ask the men and women here today to think about that when they tell you that the administration has done a great job in preparing timber sales and moving some volume through Option 9. And I ask the men and women here today representing the environmental lobby what they would say to a young girl who is watching her family struggle to put food on the table because daddy has lost his job and cannot find a decent job. It is a true shame.

We have heard the administration praise their worker retraining and economic support program, but the truth is, the package falls well short of what is actually needed. First, most of the jobs provided under the package fall under the category of ecological investment. While these jobs are important—they include forest and watershed restoration—most of them are seasonal and do not pay sufficient wages to take care of a family.

Second, when millions of dollars have been spent to help timber workers move into other jobs and trades, reports, like a story that appeared a couple of years ago in the Bellingham, Washington, Herald indicate that Federal, State, and local agencies do not know just how much money actually makes it into the hands of those workers seeking assistance. What is certain is that the total sum of money allocated for these programs does not reach the men and women who have lost their jobs to the timber supply crisis. Instead, the funding gets lost in a bureaucracy of more than 160 agencies and organizations overseeing the implementation and funding of the programs.

The other problem is that most of the retraining and economic adjustment programs do not work. Tens of thousands of dollars are spent on programs, such as self-confidence seminars and economic impact studies, that do not produce a job once completed. There are a lot of people who entered the retraining program only to find they could not find a job when they completed the training, and I

know some who started the program but had to quit when their unemployment benefits ran out.

I have heard a lot of stories like the one about a guy named Larry Lynch from Southern Oregon. He was retraining to be a nurse, but when his benefits ran out, he ended up working on a road crew. He and his family had to abandon the place they called home and move to Alaska to find work, but the government says that Larry was successfully trained. In our facility, some of the downsized workers have started the retraining programs but they do not know if they will be able to get jobs when they finish the program.

Some of our members are finding out that no matter how they are being retrained, they cannot find anyone who will hire them because they are in their 40's and 50's. These are people who are hard working and could be productive. They cannot afford to retire, but they cannot find work, either.

The bottom line is, Option 9 is not working and union workers are hurting. We need a balanced solution that protects our jobs and communities as well as our environment. We know that we are going to lose a few jobs along the way, so we need a retraining and economic support package that includes the participation of workers in the design and implementation of the programs. And we need retraining and support programs that are specifically tailored and available to timber workers prior to being offered to other workers in need of assistance. We do not want handouts. We do not want more empty promises. We simply want to be able to pursue the American dream. Thank you.

Mr. HANSEN. Thank you, Mr. Olson.

I will now turn to members of the committee and I would appreciate it if the members would stay within their allotted time in questioning the panel. Mr. Cooley? I will take you in order of your appearance and back and forth. Mr. Wes Cooley, do you have a question for the panel?

Mr. COOLEY. Thank you, Mr. Chairman.

I am glad to see that Dr. Lee is here. I have read your book and it is very good and I appreciate your coming to this meeting.

I would like to ask you a question that I think is kind of interesting. I know your history and background in studying the economic conditions that are created by the downsizing process. Could you give me maybe one or two or three important unintentional consequences of the President's forest plan?

Mr. LEE. When I say they are unintended, they would be unintended by the planners.

Mr. COOLEY. I am sorry. What?

Mr. LEE. The unintended consequences really are unintended by the planners, perhaps. There may have been people who are not engaged in Option 9 who saw these things coming but were not included in the process, and hence, that information was not available to those who formed the plan.

But I would say one of the major ones is on stewardship of lands; stewardship of lands in this country and other countries. There has been a major decline in the treatment of forest lands abroad as we have displaced supply to other regions: Southern Chile, the Rus-

sian Far East, and other places in the world as the world markets have begun to deliver wood that we were not producing here.

There was a tremendous impact on small non-industrial owners, who due to the regulatory insecurities and the increase in price, adopted a fire sale mentality where they went out and cut lands; there has been very, very poor stewardship on a lot of that land. Those are all unintended consequences.

Also unintended would be a lot of the social consequences. We have heard a little bit about it today, the unemployment growth in small communities, poverty, substance abuse, family disintegration, loss of resources for local government to deal with these issues, and basically the creation of a lot of welfare-dependent communities throughout the Pacific Northwest. This is a very expensive way to implement a plan because it creates problems that draw, then, more on State and Federal resources.

I think maybe a third one that is equally important is the kind of political alienation that takes place in these communities, where people do not look at their government with trust anymore. As a sociologist, one of the key indicators of the health of any society has to do with small events. It may not seem like a big deal that a few people are put out of work in a few scattered communities in the Northwest, but these small events cumulate into movements, into social movements. It is very important we understand that we are all one national family and we look together as one national family and it is not possible to simply exclude people from the process and not have consequences. I think that is one of the major unintended consequences.

Mr. COOLEY. Thank you very much, Dr. Lee.

Do you really believe that the planners or the government, the people who are responsible for implementing these programs, really do not understand this? Do you not think these people have more farsightedness to understand the implications of when they shut down the ability for sustained yield or for growth in the industry? You see, I cannot understand how they could not know what was going to happen when all of a sudden they just adopted a policy of no cut.

Mr. LEE. It is a matter of record that in the Option 9 plan, only certain kinds of information were considered to be acceptable. So the kinds of consequences that we are beginning to see now were simply not on the table during the planning process. They were excluded. So it was not an open process with free flow of information. That is why I say it is unintended. Maybe it was intended to keep the information out, but certainly, they never thought through a lot of the consequences.

Mr. COOLEY. Ms. Kupillas, you are a Commissioner in one of my counties and I know how active you have been and how supportive you have been in trying to do something with the administration about production of wood for the people you represent in your district, and I think you should be commended on that.

Ms. KUPILLAS. Thank you.

Mr. COOLEY. What I find really strange about the President's Northwest plan is it is a sort of radical departure from previous policies of other administrations for the last 100 years of cutting back the requirements that we had and sort of the guarantees we

had at the time when the O&C lands were first developed, of looking at sustainable yields.

We find it hard here, and I know you must, too, but have you found any reason why the administration has found any statutory authority into what we have witnessed through the period of the last three or four years, when you question the administration on the statutory authority of all of a sudden developing these programs?

Ms. KUPILLAS. They have successfully done it, and so I think they changed the regulation process. I guess the biggest concerns that I have—I am not going to second-guess the administration, but the biggest concern that I have is throughout Option 9 and the record of decision, there is discussion about economic and social stability of communities and how this is going to address it, and I guess my big concern is that all of the analysis and interpretation and the emphasis is spent on ecosystem management but very little time and effort on the social and economic constraints that are placed on our communities.

Dr. Lee has really underlined this and I think that that is the important issue to remember, that that is the message that we are bringing here, is that we need to divert our attention a little bit and spend as much time on the social and economic effects as we have on the ecosystem effects. I guess that would be my concern, that in this abrupt change that has happened, that we have not adequately addressed this, and I think even though the court system, the courts have not addressed the issue of what happens.

The O&C Act mandates that we address community stability and the sustained yield, and we know what that is. I think the courts have not paid attention to that and I do not believe that the rules and the standards and guidelines that we are using right now pay attention to social and economic stability. So I guess that would be my concern.

Mr. HANSEN. The time of the gentleman has expired.

Mr. COOLEY. Thank you, Mr. Chairman.

Mr. HANSEN. The gentleman from Oregon, Mr. DeFazio.

Mr. DEFazio. Thank you, Mr. Chairman. I am not a member of the committee, but I appreciate the Chairman yielding some time to me.

I just wanted to follow up on some of the issues raised by Ms. Kupillas. I was reading ahead in the testimony and I see Mr. Lyons, I do not think he is here yet, but he raised something, Sue, and I am curious. The trouble you are having, and I am having the same problem, ascertaining whether or not salvage can go forward in these areas of extreme blowdown/snowdown and have directed a letter to the regional forester and forest supervisors regarding that.

He says in here, with respect to timber management activity, thinning and salvage activities are allowed in the reserves. What are you hearing from people on the ground? If his statement, and I hope to be here later when he testifies, is so definitive, I am curious as to what the confusion is.

Ms. KUPILLAS. That is why I raised the issue, because in talking with the forest supervisor and the Medford BLM manager, they are thinking that it would be very restricted in the late successional re-

serve areas. The REO director was sitting with the committee, the team, as we call it, when we started addressing the issues here in the LSR with the blowdown and he seemed to think that we would be able to salvage timber out of it.

But there are very mixed reviews. I included a letter from the Medford District Manager, Dave Jones, and he had 80,000 board feet that had been removed and we know that there are several million board feet down, and said that it would be difficult to get them out of the LSRs.

Another person I talked to——

Mr. DEFAZIO. That was the BLM person?

Ms. KUPILLAS. That is the BLM, the Medford BLM.

Mr. DEFAZIO. Do you think it is a difference in interpretation between the BLM and the Forest Service?

Ms. KUPILLAS. Yes. Everybody seems to scratch their heads and think that it is going to be extremely difficult to take much timber out of the LSRs. The maps that I showed you are the reason why. Yet, when I read the record of decision, I can see that there is plenty of opportunity to do it, but the interpretation is such that I do not believe that we will actually get it done.

The team that is working on it, I know for a fact that there is agreement that they do not want to take everything out, that some of it has to be left, but there should be a substantial amount of timber removed. We do not have to use chain saws. We can just get it out of there. I will wait and see. It is real confusing.

Mr. DEFAZIO. Is the conflict over the fact that these are not roaded areas? Is that a problem, or——

Ms. KUPILLAS. That is not a problem. They are roaded. They immediately took the stuff out of the campgrounds and off the roads, but they think they cannot go in and just get it out of LSR. It is beyond me, because they have the scientific evidence that it would improve the LSRs to do it.

Mr. DEFAZIO. In fact, I know that a lot of the LSRs are anticipated to be managed. You cannot take what is essentially, in many cases, a tree plantation and unnatural densities and put a line around it and have it grown into a natural functioning old growth forest ecosystem without any sort of management activities when man has interfered.

I thought you raised two points I would like to explore a little bit more. You said that apparently there are already—I had heard there was a threat of infestation because of the unusual amount of downed woody debris because of these extraordinarily unusual events. You are saying they already have detected insect infestation and——

Ms. KUPILLAS. There is insect infestation already. The Douglas fir bark beetle is already at work.

Mr. DEFAZIO. I know you are not a forest etimologist, but does that just prey on the downed woody debris or will it go after the standing live timber?

Ms. KUPILLAS. Three live trees for every downed tree is the minimum that will happen. I have seen another report from 1955, an etimologist's report on a bug infestation. I cannot quote you all the statistics—I forgot to bring it—but it showed a far more significant problem with the bugs than that. I mean, that is just a minimum.

It could substantially take the whole stand. I am not an etimologist. I am not a forester.

Mr. DEFAZIO. Right.

Ms. KUPILLAS. But I read this thing and I was shocked at the potential here because of an historic event that happened previously where it did this.

Mr. DEFAZIO. I would hope that representatives of the administration are here and that Mr. Lyons, and again, I hope to be back to direct questions in this area. I think you have raised some interesting questions. There seems to be confusion at least between the agencies, maybe even among the agencies on this, and I think it warrants some clarification and expedited action.

Thank you, Mr. Chairman.

Ms. KUPILLAS. I have word from Jack Ward Thomas's office that it is up to the local supervisor to make the decision, but we do have to refer to the REO, so it does not really work that way.

Mr. HANSEN. The gentlelady from Idaho, Mrs. Chenoweth.

Mrs. CHENOWETH. Thank you, Mr. Chairman.

Dr. Lee, I wanted to ask you, do you know if there are any formal studies tracking what happens to dislocated wood products workers or studies that evaluated how these workers benefited from rural development programs associated with the implementation of the President's forest plan?

Mr. LEE. I have looked around the region and I know of no systematic scientific studies that would be respected by social scientists as evaluation research. I do not know of any efforts that have been made to either track dislocated workers to see what happened to them or of any systematic studies that evaluated implementation of Option 9.

Given that a considerable amount of Federal money has been spent on mitigation programs, it is really not clear whether that money reached the target of helping people dislocated recover and find new work or solve their family problems or any of the other issues that have come up.

I think one of the real tragedies of this is that we have spent hundreds of millions of dollars studying owls but we know nothing systematically about what has happened to people. We have only anecdotal reports.

Mrs. CHENOWETH. Dr. Lee, I appreciate your response, and I hope that we can remedy that, because I also understand that loggers are probably one of the most difficult to retrain. Their psyche, for instance, is in their work, and it is unique work. I came from a logging community and I had experienced that among people that I knew. It is very difficult to retrain them, so I really appreciate your response.

I want to thank Joan Smith for being here. Congratulations on your election. I hope you can influence the advisory committee that you are on and influence for the good. How do you feel about that, Joan?

Ms. SMITH. Are you talking about the Klamath Province Advisory Committee?

Mrs. CHENOWETH. Yes.

Ms. SMITH. It is very challenging. As I mentioned in my testimony, there are 28, and I believe they are increasing it to 29, mem-

bers. They are adding another tribal representative. Of that, two-thirds are government agencies. At the first meeting, we decided that we were going to make decisions by consensus. However, if we had an inability to reach consensus, it would then go to supermajority, which is a two-thirds majority, and the agencies have a two-thirds majority. That has never been done, but that is a possibility.

The meetings are two days in length, usually. We travel all around the region. I have yet to have left one of those meetings without a splitting headache. It is difficult. It is hard.

The good thing about the PAC is that it puts people together in a room to sit down to talk that normally would not, even agency people. The interesting thing in the beginning of these meetings in May of 1995 was that many of these agency people that were sitting down and talking did not normally cross the boundaries of their agencies, so that part was interesting. But as far as any results coming out of it, there has been very little. Out of four recommendations, I believe one has been followed through.

Mrs. CHENOWETH. We are all looking forward to your influence on that committee and see what you can pioneer out of it.

Ms. SMITH. Thank you.

Mrs. CHENOWETH. Thank you, Joan.

Mr. Olson, I want to thank you very much for being here.

Mr. OLSON. Thank you.

Mrs. CHENOWETH. I really deeply care for these loggers, very deeply care for them. I have lived in logging communities. I love those families. These are the guys that get up in the morning, get dressed, have breakfast, get their lunch pail, kiss their wife and children goodbye, and get to work on time and do their job and participate in their communities and pay their taxes and they are a special part of our heritage and culture. They are the forgotten families. They are the forgotten men. While we set aside vast acreages for other species, we are forgetting about this species, the American logger, and Americans are still looking forward to living in wood houses and enjoying the benefits and the byproducts of wood products.

Mr. OLSON. You could join the force.

Mrs. CHENOWETH. Yes. I agree with you and the loggers that you represent because our forests are being destroyed because we are not able to groom them and take care of them as we should.

Vice President Gore said in 1993, a healthy forest economy demands healthy forests. He understood that then, and the President's plan ensures both, is what he said. I really look forward to the administration living up to their word to the people in the Northwest and not just the loggers but all of our small communities.

I want to ask you, Mr. Olson, what is your experience with retraining workers as far as their ability to really ever be satisfied with their jobs again?

Mr. OLSON. My plant that I work at, the plant that I am President of the local, over this last year, we have been hit by the downsizing, is what the corporations call it, and most of the people that have lost their job at my facility are going through the training now. They have either found other jobs or right now they are

going through schooling. So they have not gotten to that point yet, to what is going to happen when they get out of school. Are they going to be able to find a job, a job that pays as well as the one that they just lost? They have not gotten to that point yet, so it is still kind of going through the process.

I have heard horror stories from other facilities, especially down in Southern Oregon with a lot of the sawmills and that, where these people, they basically—they go to school and when they get out of school, there is no work to find. The next thing you know, they have to go do something else. That is the horror stories.

The people that I am associated with have not gotten to that point yet. Hopefully, they will not. Hopefully, they will be all successful. What helps, I live in Portland, and so they have more of a metropolitan area to choose, whereas down like in Southern Oregon and Eastern Washington and places where there are not any big cities, and that is where there is more opportunity. So my people do have an advantage at my facility, and also Vancouver, Washington, right across the river.

Mr. HANSEN. The time of the lady has expired.

Mrs. CHENOWETH. Thank you, Mr. Chairman.

Mr. HANSEN. Mr. Kildee?

Mr. KILDEE. Thank you, Mr. Chairman. I thank the witnesses.

I can relate to the problems you have out there and really have empathy for them. I come from a district that has similar problems with a different industry. Therefore, I really want to work with you to see what we could do to find a remedy. I come from Flint, Michigan, and Genesee County is the county in which Flint is located. You may have heard of Flint with the movie "Roger and Me". It is where I come from. We have gone through a terrible dislocation, too, and that is why I want to work with you. As a matter of fact, your brothers and sisters in the Carpenters Union have stayed in regular contact with me on this issue and they certainly are very supportive of your efforts.

I can recall my city of Flint, when I was growing up, had almost 200,000 people in it and now it is down to about 140,000. General Motors about 20 years ago employed 80,000 people and now we are down to about 40,000 people. These were the good jobs. It has caused great dislocation, great misery, and worse than that, great fear of the future.

Up to this point, in Flint and in your area out there, too, each generation had hoped and expected that their children would have it even better than they did, and now, for the first time, people are beginning to wonder whether their children will have it as good as they did, and that is a problem that government has to be sensitive to.

I do not know all the answers, but I think that we certainly have to extend to you our willingness to work with you to find some solutions for this human misery. My mother died two years ago at age 94 and she could see what was happening there in Flint, that again, things were changing. I, from government, opposed certain things. I opposed even my own President on the North American Free Trade Agreement because I could see jobs going down to Mexico on that. Sometimes your government does make mistakes and

sometimes the government has to be listening to the people out there.

I do not know what the answer really is. There are changes in the auto industry that I cannot control and the government cannot control. There are changes in the timber industry which the government cannot always control. But there are some things we can do.

After my mother died, she had left a house in which she had raised five of us children and the house at one time was worth at least \$30,000, not a mansion, but I finally sold it for \$10,000 and was happy to get that. I tried to give it to the Catholic Church and they would not even take it. It was too much of a burden for them to take. So that community has really been affected, and I know your community has been affected.

I really want to work with you and try to find out more what government's role can and should be in this as I try to find out what government's role can and should be in the auto industry. I did think that NAFTA, which has moved some of the 40,000 jobs in Flint that have been lost down to Mexico, some of them, it actually had people almost like Judas goats packing up the very machinery in Flint, sending it down to Mexico so that they could produce the same parts down there.

So we have to look at what government does and ask some questions, and I want to work with you. I do not know the answers, but you can help us find the answers and I appreciate your testimony here today.

Thank you, Mr. Chairman.

Mr. HANSEN. Thank you.

Mrs. Linda Smith?

Mrs. SMITH OF WASHINGTON. Thank you, Mr. Chairman.

I just have a brief question for Bob Olson. First of all, thank you for coming. This is not exactly a dropoff to get here from anywhere. I think the message about what is happening in the Pacific Northwest needs to be said over and over and over. We are not just nameless numbers that get added to the economy. You said you are in the Portland market. I am in the same area. I am a neighbor. I just come out of Morton and Yakalt and Amboy, and those people do not come down and go into the metropolitan market. There is a big problem with retraining or lifestyle. They chose that. They do not want to go work on a computer.

I think the point that you made between the two mills is important. That 2,000 jobs you mentioned that could go down are in my backyard. Back when Crown Z went out and James River took it, I managed a lot of the, I call it the rent for families that were on strike for two years, worked with a lot of the community families to pay their bills, working on benevolence groups, and remember the pain and how much that one mill affected the whole job market in the whole region. I look at that happening again.

I think that what you have now, though, is people understanding it, after going through that. A lot of those same folks are there. We lost some.

But you made a statement that I think was real important, that we that have grown up in the woods or are mill families, and that is a lot of my background, too, we are not anti-environmentalists.

In fact, we were and are, because that is where we make our living and we live there. That point that you made, I think, was really important.

But I wondered, when the Sierra Club came out about, what, two months ago, I do not know if you saw that, the "cut no tree" policy, "We do not want another tree cut in the Northwest," that was the Sierra's vote, did you come out publicly against that? Did you all make a statement, because your 2,000 voices there are what will make policy change. Do you remember if you made a statement on that?

Mr. OLSON. I think the Pulp and Paper Resource Council made a statement here on the Hill, I think, after that.

Mrs. SMITH OF WASHINGTON. You think that they did publicly?

Mr. OLSON. Yes.

Mrs. SMITH OF WASHINGTON. I will take a look for that, because I am kind of getting beaten up by them as being anti-environmentalists because I went against that statement.

The other thing that I would like you to just speak about briefly, and you are the only one I am going to ask a question of, so you do have some time, is the interrelationship between these mills. I do not think a lot of people realize that when they take down one mill, let us say the James River plant goes down at Camus, you are going to have one heck of a time getting supply at your mill.

Mr. OLSON. Yes.

Mrs. SMITH OF WASHINGTON. Can you talk about the interrelationship, that if we cannot get supply, what happens and how you use the product, because I think when it translates clear back here, they look and they go, oh, Morton loses a mill, or Aberdeen loses a mill, or Vancouver or somewhere, and they go, oh, just 200 jobs or 1,000 jobs. They do not have a clue that it has a spin-out effect to other plants because you supply to each other. Can you talk about that briefly?

Mr. OLSON. Basically, it is a ripple effect, like if one facility loses a product, loses an amount of jobs, loses customers, loses paper supply, whatever, then whoever they do business for, the next plant, then it rips into them. So if Camus all of a sudden one day could not produce half of the paper that they produce now to go to our facility, then at my plant in North Portland, we would basically have to find paper from some other facility and it would cost more money. The paper would have to come from farther away. There would be more shipping charges.

Mrs. SMITH OF WASHINGTON. You do refine paper off of rough product out of Camus?

Mr. OLSON. Yes.

Mrs. SMITH OF WASHINGTON. They make the paper and then you make it into something useful?

Mr. OLSON. Yes. We process it, put the polyethylene on it and stuff. So basically, it is a ripple. Then we would lose jobs because what would eventually happen is that our suppliers getting our product, the raw product, would be so expensive that our competitors would have an edge then. They would get things at a cheaper cost and then we would lose that market, and that is what happened basically in my facility. We lost out on the film market and some of the paper market, so James River decided on a business

decision to just cut that business entirely and it just ripped into my facility and so on.

Mrs. SMITH OF WASHINGTON. Thank you. I think that is the point that I think people need to understand, is that the supply is affecting many, many different parts of the economy and that the cluster of different plants in an area or mills is necessary to keep the cost down, and you did that very well. Thank you.

Mr. OLSON. Right.

Mr. HANSEN. Thank you.

Mr. Herger?

Mr. OLSON. One thing. I just got a note here. The Carpenters Union issued a press release on the Sierra Club vote.

Mrs. SMITH OF WASHINGTON. The Carpenters Union did, also. Thank you.

Mr. HERGER. Thank you, Mr. Chairman and members. I appreciate the chance to sit on the panel today, and I appreciate the testimonies that we have heard from our panel, the testimonies of each of you who are representing communities that have been devastated and where we see tragedies taking place.

I am also touched and can relate to Mr. Kildee here, who was talking about his community in Flint, Michigan, and the loss of jobs over the years in the automobile industry. But I think what is particularly tragic about what I see happening in my district of Northern California and throughout the Pacific Northwest is that this need not be taking place.

We know that may need to be changed whether in the automobile industry or in whatever the reason was for the tragedies and the loss of jobs in Mr. Kildee's district, but we see in our districts that there is still a need for paper products, including the paper products with your testimonies, the tables, the wood products of the tables that you are sitting at, and the seats. The wood products that are needed to build the homes for our children and grandchildren are still needed. The demand is still there.

We couple this with the tragedy that, according to Forest Service records, our forests in California are 82 percent denser and are thicker than they were in 1928. Our forests are not only not being depleted, they are almost twice as dense as they were at the beginning of the century. Yet, we see a policy here in Washington that does not allow us to produce wood products that would be affordable for our nation. Instead, we see the people and the lives of real families, real people, real children that are thrown out of work needlessly because of a policy that is tragically flawed.

Joan is a constituent of mine, and I congratulate you, too, on your election, as a supervisor.

Ms. SMITH. Thank you.

Mr. HERGER. Joan, during a press conference in 1993 announcing the President's forest plan, President Clinton said that his plan would, "meet the need for year around, high wage, high skilled jobs and a sustained, predictable level of economic activities in the forests". In your opinion, how well has the President's plan lived up to these promises so far as the communities you represent?

Ms. SMITH. Thank you, Congressman Herger. I did bring some figures with me from the Employment Development Department,

the labor market information, just to let you know how the unemployment percentages have been since the President's forest plan.

In 1991, our unemployment in Siskiyou County ranged from 8.7 percent to a high that year of 18.5 percent, and then the President's plan went into effect the next year. In 1992, it was 12.6 percent to 18.4. Then, since the President's forest plan has gone into effect, our unemployment levels have actually increased. In 1993, it went from 12.4 to 20.9 percent. In 1994, it was 11 percent to 18.6. In 1995, 11 to 18.7. And most recently, so far in 1996, it has been 19.6 percent, 20 percent, with a low this year of 12. So it has actually increased, it has not decreased. So no, it has not helped our communities at all.

Mr. HERGER. And Joan, the President also promised during this same press conference that his plan would help "build a better future for the families of the Northwest for their children and grandchildren". You are familiar with Siskiyou County's school system. In your opinion, how has the President's forest plan impacted the children in Siskiyou County, the county you represent?

Ms. SMITH. I have a report with me from the Siskiyou County Superintendent of Schools, and probably representative of that would be the number of children that are below the poverty level, in other words, children receiving free and reduced meals. In 1988-89, those children in Siskiyou County were at 36 percent, 36.1 percent. It has increased since the President's forest plan to 45.76 percent. In fact, in 1992-93, when it went into effect, it was actually at 40.58 percent county-wide, but in the little community of Happy Camp, where they lost the only mill, the only large business, it is actually at 80 percent.

Mr. HERGER. Thank you. Again, when the President came up with his plan, we were in pretty bad shape, and the President's plan supposedly, as I recall it, was to help our communities, to help improve the employment rates, and help improve the economies of our communities as well as the environment of the forest.

I believe the case can be made very strongly—we have just heard it here with your statistics—that not only has it not improved, it has become fairly dramatically worse. I believe we could go over the same kind of statistics for our forest specifying that the forest health has also become quite dramatically worse during that period of time. Thank you.

Thank you, Mr. Chairman.

Mr. COOLEY. [Presiding.] Thank you, Mr. Herger.

Mrs. Chenoweth, do you have any additional questions you would like to ask? We will give you another chance.

Mrs. CHENOWETH. No, thank you, Mr. Chairman.

Mr. COOLEY. I want to thank the panel very much for coming today. I appreciate you. I know all of you came from a long, long way. We all travel that route. It is nine hours going this way and 12 hours going back. I know some of you will stick around and we will see you later this week, but thank you very much for coming. I appreciate that very much.

At this time, we would like to call up panel two, Mr. Tom Mayr from Mayr Brothers Company, Mr. Bendix from Hi-Ridge Lumber Company, and Ms. Bonnie Phillips, Executive Director of the

Pilchuck Audubon Society. Also, accompanying Mr. Mayr is James Geisinger from the Northwest Forestry Association.

Did we lose Ms. Phillips at this time? We will begin without Ms. Phillips. Mr. Mayr?

STATEMENT OF THOMAS M. MAYR, PRESIDENT, MAYR BROTHERS COMPANY; ACCOMPANIED BY JAMES GEISINGER, NORTHWEST FORESTRY ASSOCIATION

Mr. MAYR. Thank you, Mr. Chairman. I am honored and feel privileged to speak before a committee of the Congress of the United States of America, but at the same time, I am embarrassed to be here and to publicly have to tell you my business problems. That is not the way my family has conducted business. But the direct and proximate cause of the layoff of our 170 employees within the last few months is caused by direct action or inaction of the Federal Government. Our employees had 1,870 man years of seniority. That is over 11 years average per man of employment with our company.

I should emphasize now—there have been a lot of people talk about timber supply and so on today—I would like to emphasize that our mills are not closed because of lack of logs. There are logs available to process in our mills, and that is what I am here to tell you about today.

With me today is Mr. Jim Geisinger with the Northwest Forestry Association. He has written testimony, which he has submitted, and I would like my written testimony and his to be entered as part of the record and he is available to answer questions.

I would like to start with who Mayr Brothers is. In 1933, two teenagers, Werner Mayr, my uncle, and Marzell Mayr, my father, borrowed a horse from a neighbor, borrowed some oats from their dad and started logging. From there, the company grew, had good times and bad, but has existed for 63 years.

In the 1980's, due to high interest rates, we went through a bankruptcy reorganization. We exited from that in the late 1980's and concentrated efforts on our Hoquiam sawmill, which was 95 percent dependent upon timber from the Olympic National Forest. We manufactured high-grade lumber for the Japanese market, what you would call a niche market, specialty items.

With the onset of logging restrictions due to the spotted owl, we knew that we had to adapt, as the company had done over its history. We did a feasibility study. From that, we determined that we should build a small log facility to compliment our facilities in Hoquiam, to have some synergy with our other facilities, and process second and third growth wood that would increasingly become available in our area.

As you could probably realize, financing a new sawmill in the Pacific Northwest in the early 1990's was not an easy venture. When we obtained financing, the center pin of that was a \$5 million loan from a local bank, guaranteed by the Farmers Home Administration Business and Industry Guaranteed Loan program. That is now administered by the Rural Business and Cooperative Development Service under the Department of Agriculture.

Within the business plan for that loan, we had purchased several Section 318 timber sales in 1990. Our business plan called for har-

vesting those sales in 1991, 1992, and 1993, while we built and got the bugs out of the new mill.

That is not the way it worked out. When the mill was half built, the administration, the Forest Service, stopped all operations on those timber sales. The cash-flow from those sales was to fund continued operations. We would sell the wood into our existing markets. It would provide a bridge from our old reliance upon our old growth customers to the new second growth economy.

When that was taken away, the company has always been resilient and we found other sources of supply. We completed the mill. Since the mill was completed, we have paid the mill loan down from \$5 million to \$4 million. But in order to do that, in order to complete the mill, we used up all of our operating line of credit because the cash-flow from the 318 sales was not available.

In desperation, earlier this year, I talked to Tom Tuchmann, who I understand is going to be here later today. I made a proposal to him that Mayr Brothers would return our 14 million feet of Section 318 timber sales, our Forest Service sales, to the government, forego any additional claims if the Federal Government would pay off the \$4 million remaining on the loan. There was a great deal of interest in that proposal but he said, contrary to what our attorney said, he said the administration did not have the authority to do that.

Well, where are we now? Our bank that has our operating line of credit lost faith that we would ever be allowed to harvest those timber sales, so they pulled our loan early this year. We were forced to liquidate all logs and lumber inventory to pay off that loan, lay off our 170 people.

The other bank, the local bank that has our mill loan, is concerned about the loan, about maintaining their eligibility for the guarantee, so I have a broad side here. They have called in auction companies and this is a proposed auction, September 17 and 18, auction proposal, of our entire facility, not only the new mill, the mill we already owned free and clear at the time we took the loan out, even the pickup that I drove to the airport to come here and testify.

My father is 81 years old and he still comes to work every day. If this auction occurs, it will kill him, if not actual physical death, emotionally. To think that your 63 years' work is auctioned off at a scrap iron auction because your government will not honor its commitments, that is not the country I grew up in. It is certainly not the country that my grandfather, Marzellinius Mayr, came to at the turn of the century by shoveling coal in the boiler room of a freighter.

To conclude, it is not a raw material problem, the reason our mills are closed. It is a financial problem caused by the Forest Service not honoring their contracts. If the Forest Service would pay the damages, the monetary damages we are due for their actions, we could start our mills back up using State, private, and Indian logs.

Thank you for the opportunity to address you today. I would ask that my oral and written comments be made a part of the record. Thank you.

[The statement of Mr. Mayr may be found at end of hearing.]

Mr. COOLEY. Thank you very much.
Mr. Bendix?

**STATEMENT OF GERALD BENDIX, HI-RIDGE LUMBER
COMPANY**

Mr. BENDIX. My name is Gerry Bendix and I am President of Hi-Ridge Lumber Company. I am here to testify about the Clinton administration's forest plan for the Pacific Northwest and how the promises made in it are not matching reality.

Hi-Ridge Lumber Company is something like Mayr Brothers. It is a 40-year-old sawmilling enterprise. We employ 130 people at the mill and an equal number of loggers and truckers work in the woods to supply our mill with the logs we need to operate. In 1996, we will process 45 million board feet of timber and generate approximately \$35 million in sales.

About 90 percent of the raw materials we need to operate our mill have been historically supplied from national forests in Northern California. Our main source of logs has been the Klamath National Forest, a forest which annually sold between 200 and 250 million board feet of saw timber but now only sells between 20 to 30 million board feet. This is part of the legacy of the Clinton forest plan.

Even before the President's forest plan was finalized, this administration had dropped 12 percent off its promised volume. The final plan calls for a timber sale program of 1.053 billion board feet, but what is being actually sold is very different. In 1994, 187 million board feet were sold. In 1995, the program jumped to 336 million board feet. Through June 30 of this year, they have sold only 393 million board feet. At this rate, it will take a decade to attain the level promised in the forest plan.

When the President announced his forest plan, he directed "his cabinet to identify and implement, in a priority manner, the best ways to strengthen small business and secondary manufacturing in the wood products industry, including a review of increasing supplies of Federal timber set aside for small business and possible preferences for bidders who contract for domestic secondary processing."

Well, not one single change has been made to help either small businesses like ours or secondary manufacturers. In fact, the Small Business Administration seems to be going out of its way to ensure the small business timber sale set-aside program withers on the vine. Over the last three years, the SBA has cut its staffing for this program and resisted Congressional efforts to force the SBA to fill the vacant positions.

While we have seen no help for small business, we cannot help but notice how far this administration has gone to aid the largest integrated forest products companies, particularly those companies with large land holdings. Some companies have cut deals with the administration to exempt many acres from Northern spotted owl set-asides by signing 100-year-long habitat conservation plans. The irony of this becomes apparent when you think about the President's promise to help small business and then think about how large business has benefited by a tremendous run-up in the value

of their timberland holdings as a result of the imposition of Option 9.

Recent decisions by the Clinton administration have been no better. On the Klamath National Forest, we have a long history of forest fires. The new layers of bureaucracy seem to have been designed to slow down the salvage of dead and dying timber. We have a large fire area called the Dillon Creek area on the Klamath, which has been mentioned before, and it is in dire need of salvage. The various agencies worked for nearly two years to get the Dillon sale ready.

Up until last week, we thought we would finally see some 20 million board feet offered for sale, but then the administration struck yet once again when Secretary of Agriculture Dan Glickman announced his new salvage policy. Now we do not know if we will ever see the timber sold.

I have spoken about the problems as I see them, and in closing, I would like to urge you to take some steps to help out the situation. They include, firstly, to extend the current salvage law or replace it with a new piece of legislation from Senator Craig of Idaho.

Number two, curb the urge to micromanage your resource professionals who are out in the field. Let them take care of the forest, and that definitely includes harvesting trees while they still have value.

And lastly, this whole forest plan has been awfully tough on small businesses like mine. It is more than time to follow through on the promises that were made to address those problems and the two best ways of accomplishing that are to sell more timber and sell it before it rots and loses its value and to increase the small business timber sale share to help compensate for the disproportionate amount of pain that has been visited on firms like mine as a result of President Clinton's forest plan.

Thank you for this opportunity to testify. I will be happy to answer any questions when the opportunity comes.

[The statement of Mr. Bendix may be found at end of hearing.]

Mr. COOLEY. Thank you, Mr. Bendix. I was hopeful that the forest salvage program would accomplish what you have mentioned, but we have had some problems.

Ms. Phillips?

STATEMENT OF BONNIE PHILLIPS, EXECUTIVE DIRECTOR, PILCHUCK AUDUBON SOCIETY

Ms. PHILLIPS. Thank you. My name is Bonnie Phillips and I am Executive Director of the Pilchuck Audubon Society in Snohomish County and that is in Washington State. I started working for my Audubon Chapter six months ago after about 15 years of volunteer work.

For the past decade, protecting ancient forests has been a very high conservation priority for our 1,500 members. We are a strong community organization and we believe in cooperative relations as the cornerstone of our programs. We are proud of the many programs on forest issues that we do jointly with the U.S. Forest Service.

However, sometimes, litigation has been necessary when we find Federal agencies in violation of environmental laws, violations

which have repeatedly happened over the last decade. My Audubon Chapter has been a plaintiff in all of the major litigation since 1987 surrounding the Westside forests of the Pacific Northwest, and in most instances, the courts have agreed with us.

Litigation, however, is not entered into easily by community organizations such as ours. We not only understand the kinds of polarization that have been occurring during the past decade over natural resource issues, but we have lived through the effects of this polarization in our personal lives. I have been the target of angry outbursts publicly and privately. I have received many, many telephone death threats, and newspaper articles have called me in my own community an eco-Nazi.

But I live in a rural community where many people have been affected and I have become close personal friends with people on all sides of the issue. In short, my personal and professional lives have been totally absorbed by the timber wars in the Northwest.

In 1994, when the Clinton plan was proposed, we reluctantly joined in litigation to challenge its adequacy. We lost, the timber industry lost, and Judge Dwyer upheld the plan. However, he also stated that it was barely adequate and that there were a number of factors that could cause him to revisit his decision.

The group of plaintiffs, including my Audubon Chapter, represented by the Sierra Club Legal Defense Fund, chose not to challenge the Dwyer ruling in the Ninth Circuit. Instead, we and a great majority of conservation organizations decided it was in the best interest of all to make the plan work. I was selected to serve on the Western Washington Provincial Advisory Committee set up under the plan and I entered wholeheartedly into the success of its implementation. Although no one was totally happy with the plan, most of us felt that the decade of our timber wars had finally come to an end.

Unfortunately, in the year since the logging rider began, we have seen the momentum of the plan grind to a halt. I worked with the Forest Service for a long time, and if I were to find a way to get the maximum volume out of that plan over the next five years, the worst thing that could have happened and the way I would have stopped it in its tracks was to do the logging rider. So last year's rider, with its three components, has had a devastating effect on the plan ecologically, psychologically, and socially.

The Section 318 old growth sales have had the most dramatic effect on the land and have led to renewed protests in and polarizations of communities worst beyond the worst tensions in the late 1980's. Many court challenges over aspects of Section 318 have ensued.

While we waited for the court ruling on marbled murrelet old growth sales at risk on my local forest, the Mount Baker-Snoqualmie, middle class mainstream citizens, such as myself, search our consciences to see whether we would be willing to be arrested for our beliefs should the court rule that the murrelet could go extinct. We heard from so many people, bankers, businessmen, workmen, lawyers, architects, teachers, folks in the labor community, doctors, seniors and youth, that we began holding civil disobedience training and discussing our plans with Federal, State, county, and city law enforcement officers. This was a very difficult deci-

sion for us to make, but the loss of our democratic rights and the egregious violations to the land caused us to plan this unprecedented action.

Fortunately, we were relieved that the Ninth Circuit ruled in favor of the murrelet. This ruling, however, does not solve all the problems because the rider still requires like and kind substitute volume. The timber industry is currently in court claiming that this volume does not need to follow the Clinton plan nor environmental laws. Many other old growth sales have already fallen throughout Washington State and Oregon, including sales for which murrelet surveys have never been done.

The current Option 9 sales, as they are called, are also shielded from citizen input and citizen administrative appeals. This has made it far easier for the Forest Service to do shoddy work and violate the standards and guidelines of the plan. In Washington State, the worst violations are coming from the Gifford Pinchot National Forest. This forest plans to expand their sale program by 33 percent over what is stated in the Clinton plan. Although the logging rider supposedly provides judicial review for Option 9 sales, in the one case taken to court on the Umpqua National Forest, Judge Hogan ruled that Option 9 sales offered since the logging rider's enactment cannot be reviewed by the courts.

The salvage component has also seriously affected the viability of the plan. For example, an old growth salvage sale on the Mount Baker-Snoqualmie National Forest, my forest, is planned in a 1,300 area in a large late successional reserve. In order to log the defoliated hemlock trees, which are mostly adjacent to Canyon Creek, which contains some very important salmon runs, many, many large, healthy, old growth cedar trees would have to be cut. A favorite hiking trail would be obliterated. Because of the rider, no administrative appeal or court challenge would be available to us for this sale and we have no negotiating clout at this time.

Although there has been a lot of discussion for loss of timber jobs, I live in a community that has seen many, many tribal—there are many tribes in the Puget Sound area and I have seen the loss of their jobs through the loss of fisheries resources. I have also seen the loss of commercial fishing jobs and the sports fishing industry has taken a hard hit, and all this because of our decimated salmon runs.

In summary, the logging rider may have irrevocably undermined the Clinton forest plan. I would still like to see it work. It surely has devastated the land. It has decimated salmon spawning streams and important old growth habitat. It has provided less certainty for communities and I feel that only repeal of the entire rider now would show the Congress is committed to making a hard-fought region-wide ecosystem management plan work for the long-term stability of Northwest ecosystems and communities. Thank you.

[The statement of Ms. Phillips may be found at end of hearing.]

Mr. COOLEY. Thank you, Ms. Phillips.

Mr. Mayr, I happened to marry a lady from Hoquiam, Rosemary Deweiss, so I am very familiar with your area. I spent a lot of time in that area, by the way. Very few people know about it. When you say Hoquiam, they kind of look at you funny.

What do you think we can do to help you? What do you think the administration needs to do to try to help the Mayr Brothers and others that are in the same situation, when we made a commitment? What do you feel that we could do to help you?

Mr. MAYR. Attached to my testimony is a bill that would give the administration the authority to do what they say they would like to do and offset the mill loan balance against the Forest Service's liability on our timber sales.

One point that I skipped in my testimony is the fact that this is not a plan that Mayr Brothers had when we built the mill, to use the Section 318 sales. The Farmers Home Administration was very interested in our current timber supply at that time. How would we operate while we were building the mill? They asked for copies—in fact, over here in the Department of Agriculture, well, the Forest Service is over there, but in the FmHA is a copy of one of our contracts. They asked for the status of all the sales, a report of all the volume under contract. It is my conviction that that loan was approved at the Washington, D.C., level due to the fact we had that timber under contract.

That is why I say, to help us, we could go back to work immediately if the Forest Service would honor their commitments on those sales by just taking care of the damages.

Mr. COOLEY. I imagine your attorneys have pursued the legal remedies, but is there no recourse by the private sector against the government when they do not fulfill the contracts that they have awarded?

Mr. MAYR. Yes. There is a remedy and it is called the Court of Contract Claims. That is a long process and our mill will be auctioned off and our people will be permanently retrained for other work by the time we ever get a contract settlement. My attorney's optimistic guess is 18 months, minimum.

Mr. COOLEY. It is too bad we cannot expedite that process.

Mr. Geisinger, we did not give you an opportunity to make any kind of a statement. I kind of jumped over you, but you were not on the panel. Do you have anything you would like to say at this time, in my little bit of time that is left?

STATEMENT OF JAMES C. GEISINGER, PRESIDENT, NORTHWEST FORESTRY ASSOCIATION

Mr. GEISINGER. Thank you, Mr. Chairman. I am here for technical assistance for my colleagues that run mills for a business. I have been at this work for 20 years and I have put myself through this torture because of people like Gerry Bendix and Tom Mayr. They represent the heart and soul of the forest products industry in the Pacific Northwest. They represent the very kinds of companies this administration says it wants to save, but they are the very companies that are getting the least benefit out of Option 9 or any of the other administration's forest policies.

I would like to briefly review history to set the stage for some discussion. On July 1, 1993, when the President announced Option 9, Secretary Bruce Babbitt stood in front of this country and said that this plan would produce two billion board feet in its first year and one billion feet thereafter. By my math, therefore, that says four billion feet should have been sold as we speak. The fact is, less

than one billion feet of saw timber has been sold in the three years since this plan has been announced.

The devil is always in the details, but the volume figures that Gerry Bendix quoted are sawtimber volumes. That is a very important detail. The President's forest plan says that 90 percent of the one billion feet a year it is supposed to produce is supposed to be sawtimber. The fact is, they have been selling 40 to 45 percent non-sawtimber material and taking credit for it as part of Option 9. These are firewood sales, fence posts, pulp wood, basically anything with cellulose in it, they will take credit for as part of their Option 9 accomplishments.

So I want to segue from that into talking about Section K of the salvage rider and particularly the 318 sales. It has been alleged by many that this has completely undermined the validity of Option 9. Let us look at reality. Section K should have released about 650 million board feet of timber, a little over one half of one year's timber sale program under Option 9. We are running a three billion foot deficit. We should have sold four billion. They sold one billion. So how 650 million feet in the face of a three billion foot deficit is going to undermine this plan in any way escapes me.

Secondly, I think it is very important, the 318 sales, which include the sales that Tom Mayr is saddled with, were assumed to have been harvested in the record of decision, in the biological opinion for the President's forest plan. We have called this to their attention and they say, yes, that is what the plan says, but that is really not what we meant. These sales were assumed to have been gone when the U.S. Fish and Wildlife Service and the National Marine Fisheries Service gave Option 9 a clean bill of health for all threatened species.

So to say that letting these sales go forward is going to undermine in any way Option 9 can only lead you to the conclusion that those agencies were wrong. I do not think they were when you consider that 88 percent of our forest lands are off limits to any kind of sustainable timber harvesting practices under Option 9.

The 318 issue is a scapegoat for nonperformance. The reason for the nonperformance is the incredible bureaucracy that is being created under Option 9, where there are at least half a dozen committees that have to be involved in approving timber sales, and even after that, it is a matter of record that the White House has actually interfered on individual timber sales, questioning forest supervisors' decisions to let timber sales go forward. It is no wonder they have only accomplished a quarter of what they said they were going to accomplish, when you have that kind of bureaucratic gridlock.

Finally, I would just like to call the committee's attention to Exhibit No. 5 in my prepared statement. It is a chart that shows volume sold as opposed to the U.S. Forest Service's budget. I have not shared this with the Appropriations Committee and I would really hope that this committee would not share it with the Appropriations Committee, either, because we have to fund the agency. But the fact is, this administration is spending as much money today to produce ten percent as much timber as it did just six or seven years ago. The money is going to bureaucratic process, not produc-

ing outputs. This has to change if there is any hope of making Option 9 a success. Thank you.

[The statement of Mr. Geisinger may be found at end of hearing.]

Mr. COOLEY. Thank you, Mr. Geisinger. I want to ask you one question, and my time is up, but in your experience as associated and involved in this industry for as many years as you have been involved, has the executive branch ever been involved in any timber contracts before?

Mr. GEISINGER. Certainly not to the extent that this one has. Frankly, we wish they had been a little more involved than they were. But the U.S. Forest Service and the Bureau of Land Management are both professional organizations that have very qualified people that understand their mandate and their instructions and I think they have done their best to carry those out without undue interference from the administration.

I think it is always prudent for the Secretary to conduct oversight of these agencies, but when you have the Chairman of the Council of Environmental Quality calling forest supervisors and challenging their decisions, there is something wrong with that process.

Mr. COOLEY. What function of the executive branch or the White House is involved? What branch is involved in these decisions?

Mr. GEISINGER. Basically, it is the Agriculture Department and the Interior Department for the Forest Service and BLM, respectively, but there is oversight basically coming out of CEQ.

Mr. COOLEY. Thank you, Mr. Geisinger. That was very informative.

Mr. Vento?

Mr. VENTO. I will withhold at this time.

Mr. COOLEY. Mr. Vento will hold.

Mr. Herger?

Mr. HERGER. Thank you, Mr. Chairman.

I would like to begin perhaps with a question to Ms. Phillips.

Ms. PHILLIPS. Surely.

Mr. HERGER. I understand you are from the State of Washington. Have you ever had an opportunity to come down into California and look at the forests or observe wildlife there?

Ms. PHILLIPS. I am most familiar with Washington State and Oregon. I have been to California. I am not on the ground, as you can see, with my wheelchair, not that familiar with a lot of the California forests.

Mr. HERGER. I have on occasion, regrettably, all too often, been able to look. I represent all or parts of eight national forests in the Northeastern part of California. We have had seven out of ten years of drought in California. Our State is very different from yours. We do not get nearly the amount of rainfall you do. We are much more subject to catastrophic wildfires that will, as they have all too often, completely consume our forests, as we have seen in the Cottonwood fire, just north of Lake Tahoe, where there is absolutely nothing left. So much of this is following these drought years that we have had where fires go through and destroy everything.

My question to you is, how much wildlife can exist in these areas where the forests have been completely destroyed because of these dead trees that the Forest Service tells us are 82 percent denser,

thicker than they were in 1928? How much wildlife can exist in these trees where your groups have been so very successful in preventing any cutting, even of dead trees, thinning? How well does the wildlife exist in these areas where there is nothing left?

Ms. PHILLIPS. Perhaps I can try to answer that in a slightly different way, because I had been able to observe the results of the large fires on the Wenatchee National Forest in Eastern Washington.

Mr. HERGER. Did it consume everything there?

Ms. PHILLIPS. I was going to try to explain what I knew about that. Excuse me, please.

But first of all, I do want to clarify. Mr. Geisinger is wrong in that the record of decision said that the Endangered Species Act would be in effect and, therefore, the Section 318 sales that are in violation would not have been logged.

But getting on to your question, sir, my sense, and I cannot possibly—

Mr. HERGER. Very briefly, if there are no trees left, how much wildlife can exist in forests that are in my area where there are no trees or any wildlife, no vegetation at all left? How much wildlife can exist there? Spotted owls, can they exist where there is nothing left, but thousands of bare acres.

Ms. PHILLIPS. So you are asking me—excuse me—

Mr. HERGER. I am. It is your policy that has been so successful in completely stopping any kind of harvest at all, even the removal of dead and dying trees to help prevent these massive forest fires which burned 540,000 acres of timber in California alone in 1994. We may even break that record this year.

I guess my question has an obvious answer. There is not any wildlife, and I find it unbelievable that organizations like yours and individuals like you can come before this committee supporting the Sierra Club's stand this year that they do not want to see another tree, dead or living, ever removed again from our forests. I think this is tragic and as irresponsible as anything I have ever seen.

Mr. Bendix, if I could—

Ms. PHILLIPS. I am sorry, are you telling me that I cannot answer your question? Are you just—

Mr. HERGER. I am just stating that I believe the answer is obvious. There is—well, let me ask it again.

Ms. PHILLIPS. You are asking me a question and you are not letting me answer? I just want to clarify that.

Mr. HERGER. OK. Are there owls that can live where there is nothing left?

Ms. PHILLIPS. If that is what you are doing, that is fine, sir.

Mr. HERGER. Where there is nothing left, can owls or any kind of birds or peafowl—

Ms. PHILLIPS. I am not a member of the Sierra Club. The National Audubon Society has not taken that position. There is nothing my organization has—

Mr. HERGER. But you have joined into lawsuits with them, you stated.

Ms. PHILLIPS. To be able to—the Sierra Club has not been involved in the spotted owl lawsuits. To ever be able to do anything

that would increase fire risk on national forests, I think the Forest Service and I think some of the laws Congress has passed, including the salvage rider, have allowed our forest at greater risk, and I think you will hear the Forest Service tell you and professional foresters [sic] tell you that because of fire suppression and because of poor management, our forests are at greater risk and our communities are at greater risk and our lives are at greater risk and I do not agree that that is the way we should manage forests.

I think we should have managed them to protect people and lives, and I agree that we should be doing salvage logging and thinning in areas and concentrate where people and lives are and we should put our effort there, not necessarily salvage logging in wilderness areas or fighting fires in wilderness areas or salvaging in areas very far away from people and lives, and I think the people and lives are the major issue and I, as an individual, am very supportive of management practices that do protect people and lives. Thank you, sir.

Mr. HERGER. I find your comment interesting. I hear you, it would appear, speaking on both sides of this issue. On one side, you stated that you are in favor of some salvage logging. I do not know if you are aware, but the whole purpose of the emergency, salvage logging which only lasts for a certain period of time, was to expedite what is normally a three-year process in which all our trees are so far rotten by that time and eaten by insects that they are unsalvageable because of lawsuits, which you mentioned you joining, preventing us from doing anything.

That is what I would like to do, Ms. Phillips. We have an annual woods tour out in our area and I would like to invite you to come out to it.

Ms. PHILLIPS. Thank you. I would enjoy that.

Mr. HERGER. We can show you some of the problems that we have. The stands that organizations like yours, and particularly the Sierra Club and the Wilderness Society and others have taken eliminating any kind of habitat whatsoever. These stands have destroyed our communities and allowed for as high as 22 percent unemployment in some of my counties, driving up the cost of home and wood products and also destroying the very habitat that you claim to be wanting to protect.

Thank you, Mr. Chairman.

Ms. PHILLIPS. Sir, I feel like the Forest Service already has laws to be able to use to expedite salvage sales. I know that in Washington State, where I have seen many salvage sales go forth without, by the way, any appeal or litigation on the part of my Audubon Chapter, it does not take three years. They can do an emergency. There is a lot in the National Environmental Protection Act, the NEPA, in implementing regulations that allow them to do many things in a hurry. So I do not think that the salvage rider was necessary and I do not really think it is helping the American people. Thank you.

Mr. HERGER. That is not happening and you know it is not happening and it is a farce for you even to say it as though it were taking place, Ms. Phillips.

Mr. COOLEY. Thank you, Mr. Herger.

Mr. Riggs?

Mr. RIGGS. Mr. Chairman, I would like to defer.

Mr. COOLEY. Mrs. Chenoweth?

Mrs. CHENOWETH. Thank you, Mr. Chairman.

Mr. Geisinger, I thought your testimony was very, very interesting and I wanted to delve into this a little bit more. We heard it testified to that the failure of the Clinton plan was on the salvage rider and that is what prompted your response, I am sure. But as you said, almost all of the old growth sales authorized under the salvage rider were assumed to be harvested under Option 9, and as Ms. Phillips testified, that one of the problems was with the Endangered Species Act.

I have here, for the record, the record of decision for Option 9. It is the standards and guidelines issued by the administration for management of habitat for late successional and old growth forest related species within the range of the Northern spotted owl. I would like to read that in this administration's decision, it states, "The late successional and old growth habitat in late successional reserves that might be harvested, assuming that these areas meet ESA requirements, represents about one-third of one percent of the total of this habitat in reserves in the preferred alternative."

Furthermore, it states in the administration's record of decision, and I am just continuing on from where you made your very good point, Mr. Geisinger. Timber sales awarded prior to the effective date of this record of decision are not altered by this record of decision, ESA or anything. At the time they were awarded, these timber sales were consistent with the planning documents then in effect, complied with the Endangered Species Act, and all other laws, and the environmental effects of these sales were considered as part of the baseline for the biological opinion for the final SEIS.

Furthermore, it states that under the timber sales sold but unawarded, the administration's own record of decision stated, with one exception, as described below, and that happened to be the *Seattle Audubon Society v. Lanz*, all planned and sold but unawarded timber sales were reviewed and adjusted, as needed, following publication of the draft SEIS pursuant to the process described above. The review ensured that these sales would not prevent the attainment of the environmental objectives of a selected alternative. The environmental effects of these timber sales were disclosed in site-specific NEPA documents and subsequent review. Some of these sales have subsequently been awarded and some have not yet been awarded.

So I think that that ought to clarify very carefully for the record, and I would like to enter this document into the record, the point that you were trying to make, Mr. Geisinger. You are absolutely right, and I thank you for bringing that point up.

Mr. GEISINGER. If I may, Representative Chenoweth, during most of 1994, my time was consumed trying to convince the administration that that is what they had written, to try to resolve the 318 sales through normal administrative channels. Congressman Norm Dicks was very involved and very instrumental in bringing those discussions forward. But in the final analysis, they looked at us in the face and said, yes, that is what we wrote, but that is not what

we meant, but it is a matter of public record now and I think the amount of volume involved is minuscule in the big picture. It is very small compared to the commitments the administration made in Option 9, and to say that it is preventing implementation of Option 9 is just not right.

Mrs. CHENOWETH. I suppose that when President Clinton said in 1993 with regards to these sales, by preserving the forests and setting predictable and sustainable levels of timber sales, it protects jobs not just in the short term but for years to come, I suppose he could look at you and say, that is what we said but that is not what we meant, because that is not what they are doing, is it, Mr. Geisinger?

Mr. GEISINGER. No, it is not.

Mrs. CHENOWETH. I wanted to ask Mr. Mayr, your story is so compelling, your grandfather, and your father and uncle who borrowed a horse and borrowed some oats and as teenage boys started a logging business. I have heard that story from several different people who started logging companies. I am very, very sorry that this has happened to you. You know, out of Aberdeen, Washington, was an opinion about what has happened to you and the fact that the administration has broken its word.

They said in this editorial or in this opinion, "Mayr Brothers, whose resilience and ingenuity have been beacons of hope for Grays Harbor, announced Friday that it will lay off its 170 employees over the next two months." You know, the most important thing that I feel that as Congressmen we must continue to do is point these industry people in a direction where there is hope, but it is very difficult when we have an administration who does not even bat an eye or blink when they say one thing and do another.

Mr. Mayr, I just hope, I very much hope that we will be able to see that hope and resilience for Grays Harbor restored again. Has Senator Gorton's and Senator Hatfield's compromise plan been of any benefit to you, either in the past or do you see it as a benefit in the future?

Mr. MAYR. Thank you for your kind words, Congresswoman. I hope, too, that we will come through this. As I say, we have had our ups and downs over the years.

Both Senator Gorton and Senator Hatfield had some language to give the administration more leeway in settling these timber sales. That language was stricken from the earlier bill. I am hoping something can be done before the end of September that will allow us the damages from these sales, and they have been very helpful. Nothing, of course, has been passed yet.

Mrs. CHENOWETH. Thank you, Mr. Mayr. Thank you, Mr. Chairman.

Mr. COOLEY. Thank you, Mrs. Chenoweth.

Mrs. Smith?

Mrs. SMITH OF WASHINGTON. I guess I will just carry on from there, Tom. I want to make sure I understand. You think the closest we can get on a bill is an appropriation coming up in September. It is still going to be real difficult. It is possible, and we will walk you over to Slade's office and work on it, but your attorneys say the Forest Service has the authority for this trade and they are

saying they do not, and that is really what you are going to try to get clarified?

Mr. MAYR. It is more than the Forest Service, but it is all in the Department of Agriculture. The loan guarantee, I think they are on the fourth floor and the Department of Agriculture is on the second. I mean, they are in the same building. For one agency to say, we did not know you depended on our timber sales for this loan, that is kind of mind-boggling.

Mrs. SMITH OF WASHINGTON. It is kind of bad to change all their minds right now, after, of course.

Mr. MAYR. I am convinced that our having those timber sales under contract and the markets for those logs were the reason the loan was approved.

Mrs. SMITH OF WASHINGTON. You would not have gotten the loan if you had not had a supply.

Mr. MAYR. Exactly.

Mrs. SMITH OF WASHINGTON. Nobody else is getting loans out there unless they have supply, you are right.

Mr. MAYR. Right. And that provided the bridge for the transition that everybody was telling us, both the environmental community, the administration was telling, you have to change to second growth. That is what we did. We were written up at the time as a progressive company for doing the right thing. It is just that when you have a plan that complicated, you cannot pull a part of it out.

Mrs. SMITH OF WASHINGTON. It was not done in the dark, by any means, for the members of this committee.

Mr. MAYR. No.

Mrs. SMITH OF WASHINGTON. It was done very clearly. In fact, I feel that you were encouraged into it and then left high and dry. It brings up cynicism for our government. No wonder not too many folks want to work with the government, if they dump you after they have encouraged.

We need the 170 jobs. It is not all in my district. It is right above it and part of it is mine, but I cannot imagine what 170 jobs' loss is going to do in that area.

We will do what we can do to try to get the administration to understand, maybe just tell them it is a Democrat county. That might help in an election year.

Mr. MAYR. Yes.

Mrs. SMITH OF WASHINGTON. But encourage them through that process. But I do not think they realize the impact. They say, oh, 170. We have more than that on one floor in the White House. They do not think about that many employees, but it basically will devastate that community.

Mr. MAYR. Yes, it will.

Mrs. SMITH OF WASHINGTON. Mr. Geisinger, one thing that I have been interested in since I have been here is the misconception—so I am premising this with my bias, somewhat—but with the Option 9 numbers, a lot of people got the impression, if you would listen to the press back here, we were going to shave the hills. That would leave no old growth and we would literally have nothing left but bald hills in the Northwest.

Can you give me an idea of even the four billion, not the billion, but the four billion we thought we would get, what percentage that would be of the total available harvestable timber to give these folks an idea, just to show them what percentage it is? Can you give me a ballpark figure?

Mr. GEISINGER. There are hundreds of billions of board feet of standing timber on Federal lands in the Northwest. I can provide that information for the committee. I can safely say it is probably at least 450 or 500 billion board feet.

Mrs. SMITH OF WASHINGTON. But it is not 100 billion, so the four billion is not even four percent?

Mr. GEISINGER. No. It is a minuscule percentage of what is available on the entire land base. But again, the problem with Option 9 is we are left with about 12 percent of the Federal lands to manage in any kind of predictable fashion, and finding areas to put up timber sales is not the least of the agency's problems, and then once they do, they go through this incredible process to get final approval. That is why the performance has been as poor as it has been.

Mrs. SMITH OF WASHINGTON. I want to have you address one more thing. I listened to Ms. Phillips as she nobly tried to answer, and I realized something again that kind of amazes me. What I heard was the Forest Service referred to twice, once as if they had no options in letting these sales and they would have to go into the most sensitive wilderness areas, and the other was the Forest Service has a lot of latitude.

Clarify for me why it is bad to let this administration's Forest Service under their direction select the sales environmentally. Why would they choose bad sales? Why should she be afraid when there is that much land mass? Why would she think this administration would go after the most sensitive, and have they shown to do that?

Mr. GEISINGER. I think Ms. Phillips can speak for herself on that. I think the people closest to the ground are the ones most capable of making those decisions, and they have to be given some empowerment to comply with the standards and guidelines that have been imposed upon them. I think oversight in the Department is perfectly legitimate, and I think that is why the authors of the salvage amendment gave sole discretion to the Secretaries of Agriculture and Interior to approve or disapprove of any timber sale.

The interference, frankly, is coming from above those levels, and if we are ever going to be successful in implementing this plan or some other plan, the agencies are going to have to be reempowered to make a lot of those decisions on their own and to be allowed to move forward with them.

The Forest Service and BLM are the only two agencies that I am aware of that gives the public access to challenging their decisions the way they do. I mean, I think of the Defense Department. If you could challenge some specifications on the construction of an F-18 fighter plane with a 32-cent stamp and a letter, I would hate to think of what would happen to our nation's defense. But there are layers upon layers of opportunities for people to challenge what is happening in our natural resource managing agencies and I think the public certainly ought to have access to asking questions and challenging decisions, but not to the extent that they can bring ev-

everything to an absolute standstill, which is what has happened in our region.

Mrs. SMITH OF WASHINGTON. Thank you, Mr. Geisinger.

Ms. PHILLIPS. Thank you, Mr. Geisinger. I appreciate your saying I can speak for myself, and I will be extremely brief.

Having not testified before, I forgot to say that I have submitted things for the record, including three different packets which contain what we consider really very bad sales in Washington State, in Oregon, and in California under this plan and under the salvage rider. I think if you have a chance to look through that at some point in time, you will see why we are concerned about the Forest Service and violations. I am sorry I forgot to say that before, but thank you for this opportunity.

Mrs. SMITH OF WASHINGTON. Thank you, Ms. Phillips. You just think the administration is doing one crummy job of managing this, and I guess I do, too. We certainly agree there. Thank you.

Mrs. CHENOWETH. [Presiding.] Thank you, Mrs. Smith.

Mr. Riggs?

Mr. RIGGS. Thank you, Madam Chair. I do not know if I want to say anything after that last comment, but it was very apropos and, I believe, on the mark.

Ms. Phillips, is it my understanding that you and the National Audubon Society advocate a total repeal of the timber salvage rider?

Ms. PHILLIPS. That is correct, sir.

Mr. RIGGS. Let me understand this, because Mr. Herger, I think, was linking your organization with the Sierra Club, which I think you—

Ms. PHILLIPS. That is correct, and I am not a member of the Sierra Club.

Mr. RIGGS. Yet, if I understand correctly, you do not favor even the harvesting of a dead, dying, or diseased tree, and if that is the case, what form of commercial logging do you support on Federal forest lands and how do you differ, then—

Ms. PHILLIPS. Excuse me. I did not say—

Mr. RIGGS. Excuse me. Let me just finish the question. How do you differ from the Sierra Club?

Ms. PHILLIPS. Since I am not a member of the Sierra Club and since I really cannot explain their policies to you because I am not a member, let me just explain National Audubon Society's view on this as best I can.

We are not—National Audubon Society is not against salvage sales, and I think what we feel is that there are already laws in place, environmental laws that had been instituted and passed by Congress and signed by past Presidents that both protected our natural resources and allowed citizen input into the public process. Within those laws and the implementing regulations on the part of the National Forest Service, they have been doing a salvage program all along. A salvage program is not new for the Forest Service.

My Audubon Chapter, in particular, has never done an administrative appeal or litigation on a salvage sale. So I think if you take a look at our record and check with the Mount Baker-Snoqualmie National Forest, you will see that is our record. Our concern is that

taking away the ability for citizens to interact with land managers when it is public land, this is what we object to.

We do not object to any particular—I mean, I will tell you personally, I do not agree with any more logging of old growth national forests, but if we are talking here about salvage, I think my record speaks for what I have not challenged, what I have the ability to challenge, but I truly believe in democracy and I believe in the people's forest and I believe in a citizen—a citizen, no matter who that citizen is, their right to participate in the democratic process, which is why I would like to see the entire salvage rider and all of its components repealed.

Yes. I base that on information that was put in the court record by the administration and by wildlife biologists, particularly Kim Nelson, who is considered one of the premiere researchers on murrelets, and her testimony, which, by the way, was not just a few sales. It could have been up to 10,000 acres, and that is 10,000 critical acres. But this species, of course, is listed under the Endangered Species Act, so we are talking about an endangered species. It is listed as threatened.

The 20 percent of the known murrelet activity or nesting areas was involved in those 10,000 areas. So when you take an endangered species already on the Endangered Species Act and the U.S. Fish and Wildlife Service has decided that their decision, which is why I do not agree and I appreciate Mrs. Chenoweth putting information in for the record because I think it speaks to exactly what I was trying to say, that the ESA was still in effect in the record of decision, is that they gave those jeopardy opinions, which meant that they felt that would jeopardize the existence of a species that was listed under the Endangered Species Act.

So when you take that U.S. Fish and Wildlife Service's determination that the species may go extinct, because that is what jeopardy means, and you take away 20 percent of the known nesting and murrelet activity areas, I think it, indeed, does have a devastating effect.

Mr. RIGGS. Let me turn to the gentlemen real quick before my time expires. But first let me note that, regarding your earlier comment, citizens can interact with the agencies under the salvage law. We expressly permitted that under the law and there is ample opportunity for citizen input when the agencies are preparing the sales. There is also public comment under the administration's implementation of the law and there is also an appeal for arbitrary and capricious decisions.

Gentlemen, do you all agree that the primary reason that we are here today is the failure of this Congress and past Congresses to reform the Endangered Species Law?

Mr. GEISINGER. I would like to try that first, and you may not like my answer, Congressman. The answer is no. The injunction that led to the creation of Option 9 had nothing to do with the Endangered Species Act. They were a violation of the National Forest Management Act viability regulation and NEPA violations for not supposedly preparing an adequate environmental impact statement. It was the viability regulation that Judge Dwyer hung his hat on for enjoining most of the Pacific Northwest timber sale program.

That is a regulation that could be changed, theoretically, with a **Federal Register** notice and a 60-day public input period, but it has become such a volatile issue and so important to the environmental community as a tool to stop land management activities that it would prove very controversial to do it in such a manner.

Quite briefly, the National Forest Management Act requires the Forest Service to maintain a diversity of plant and animal communities consistent with the multiple use purposes of the forest plan and to the extent practicable, and I do not think anyone in this room could disagree that that is a laudable goal. But when the regulations to implement that provision were written, it required the Forest Service to provide habitat to sustain viable populations of native species throughout the planning area. We were told in 1981 when that provision was written that the planning area was the region, whether it be Region 5, as California, or Region 6, in Washington and Oregon. You had to have a viable population someplace in that region.

The Ninth Circuit Court of Appeals, however, subsequently interpreted that to mean that viable populations had to exist on every single national forest and every single ranger district in the region, and that is what brought the gridlock to the Pacific Northwest through court order.

I am not suggesting the ESA does not need reforming; it does. It does need to be streamlined and more workable. But it is not the cause of the gridlock that occurred in the Pacific Northwest.

Mr. RIGGS. We will pursue that in a minute. Thank you, Madam Chair.

Mrs. CHENOWETH. Thank you, Mr. Riggs.

Mr. VENTO. Madam Chair?

Mrs. CHENOWETH. Yes. I would like to call on Mr. Vento now.

Mr. VENTO. Thank you.

I found it interesting, the discussion on the salvage rider. Obviously, the salvage existed before the rider and probably will exist after it. It is a question of how you proceed. Clearly, what the intent of the rider is, is to dispense with the processes that were in place and to override them and to subsume them into this truncated process. So it basically abandons the effort to implement a range of different laws, including laws that affect small businesses and the extension of and dispersal of the jobs and contracts within that context. It does that. It enters into roadless areas. It has special provisions with regards to Montana, with regards to 318.

I would just point out that there was a good faith effort in 1990 and other times to write 318. I actually had worked with Congressman Dicks at that time, who was on the conference committee, to provide for it, but the news we kept getting back in terms of the science was that, of course, things did not work out so we could achieve the types of harvests.

I find this whole discussion, incidentally, in reference to my colleagues with regards to fire, very interesting, because, of course, we have an environment in which we have heavily been influenced by the activities of the Forest Service and others to extinguish fires, and to suggest now that is simply the result of inadequate harvest, I think, and/or salvage types of problems, is, I think, a real problem, because the areas you might salvage are not necessarily the

areas where the fires will occur. Obviously, if we cut all the forests down, they would not have a fire problem. I guess that is the gist of that particular issue.

So I think it is sort of scapegoating the salvage problem or the degree of harvest with the fires. In other words, I do not think that there is much, if any, correlation between them, but nevertheless, it is an attempt to try and superimpose an event that is obviously negative and put it at the feet of the amount of salvage that takes place.

Mr. MAYR, I read your statement and the progress of your company and so forth, the development. It is very interesting in terms of its history. But you point out in here you are 95 percent dependent upon the Olympic National Forest for harvest.

Mr. MAYR. We were.

Mr. VENTO. But you suggest that that was the predicate. Does your corporation or company or your entity specifically have under contract the contracts you were talking about, or were they indirectly under contract?

Mr. MAYR. No. We were 95 percent dependent upon national forest timber for the mill. At the time we took out the loan, the contracts I am speaking were in the name of Mayr Brothers. We actually had——

Mr. VENTO. They were your contracts?

Mr. MAYR. Yes. Some of the contracts are harvested. Some of them have roads built. In fact, one of them actually has timber that has been on the ground since 1991.

Mr. VENTO. Is your concern here with regards to the fact that the Farmers Home Administration did not do diligence with regards to your loan?

Mr. MAYR. No.

Mr. VENTO. Or you did not do diligence with regards to your loan?

Mr. MAYR. We did.

Mr. VENTO. Or the Forest Service is supposed to do diligence with regards to your loan?

Mr. MAYR. No. Everyone did the due diligence. It is the fact that the Forest Service has not performed on the contracts.

Mr. VENTO. I think that all the laws are in effect that affected this. For instance, we talked about NEPA and we talked about the Forest Management Act and the Endangered Species Act. All of those were in law in 1990, were they not?

Mr. MAYR. Right. But what I am speaking to is the fact that the Forest Service owes us damages. They have admitted——

Mr. VENTO. Well——

Mr. MAYR. No. They have admitted such. We have had offers from them. They have admitted they owe us damages, but they have not done the honorable thing and paid them.

Mr. VENTO. In other words, they have not come to a negotiated agreement with you? Is that what your contention is, is that they should come to a negotiated agreement with regards to your——

Mr. MAYR. They should either honor the contract by letting us harvest it, they should cancel the contract——

Mr. VENTO. If I just might interrupt you, I understand—I did read the testimony—I understand the fact that they cannot honor the contract. It is bound by other factors—

Mr. MAYR. Right.

Mr. VENTO. [continuing]—like court injunctions and other factors beyond their control, is that correct?

Mr. MAYR. That is correct.

Mr. VENTO. So it is sort of beating a dead horse here in terms of the fact that—but they then say that because they are admitting, in other words, they can suggest that they are taking on the burden of having have not gone through the process or NEPA correctly, that they then take on the burden of not delivering the timber to you as per se the contract. In other words, they are admitting that. You are just saying that it is a matter of what the negotiated amounts might be in terms of not harvest or whatever the damages are that occurred.

Mr. MAYR. Yes, and it has been that delay of over—on one timber sale, it is a delay of five years, and in normal commercial contracts, if we had a contract with a private company, we would never be allowed to delay performance for five years, and that is where we have suffered from, is that delay.

Mr. VENTO. I understand that there are adjustments that have to be made in terms of the economy, in terms of its reconciliation. I just think it ought to be understood that, from my perspective, yes, the Forest Service is up front in terms of not doing this, but they also have the obligation under court order and under a whole series of other laws that needed to be followed in terms of bringing this issue—I mean, all of it has to be considered in the context. It is not a question of competence, but it is a question of nonperformance from your aspect. Before we begin to render judgments on them, I think we ought to look at what responsibilities that they have that have been placed upon them.

I also, Madam Chair, I would note that the suggestion about, obviously, the amount of harvest that has gone on or has not gone on, I think I would just note for the record, it is my understanding that, in fact, there have been salvage contracts put out in which there have not been bids in some parts of the country. So the whole issue of whether or not you do salvage or not, I would just ask my colleagues to consider the fact that sometimes these salvage sales are not very attractive in terms of their profitability and the consequence of that is that those types of sales are not bid upon, so they go by the wayside. You can make them more attractive by putting in more profitable types of harvest of trees, but that is not necessarily where you want to go in terms of trying to deal with the management of a forest.

So it is the reason that salvage, even though there is a considerable amount of salvage that could be out there that is on roaded lands and other areas, it is not always a very attractive purchase. It is not a very attractive business for those that might be doing it.

We know what is more desirable, the large volume old growth type of trees in the Northwest or in other areas where you have different types of timber which would be more attractive, but it does not always match the needs of how a land manager might

want to manage a forest. I remember well the discussions about Alaska and the types of timber that were desired in those instances.

So it is a lot more complex than simply suggesting you have all of this timber and that simply just putting it on the market is going to do it, because it is not going to unless you make it profitable, very profitable, in some cases. Salvage is a loser for the government in terms of costing us money in most instances. It is a loser for the government in terms of costing money for the preparation of the roads, and, of course, as we know, we have an ongoing debate about what the costs are in terms of the general sales programs.

Mr. HERGER. Would the gentleman yield?

Mr. VENTO. I would be happy to yield.

Mr. HERGER. I realize the light is red, but would the Chairwoman mind?

Mrs. CHENOWETH. Yes.

Mr. HERGER. I want to commend the gentleman for pointing out that there are not any bidders for many salvage sales. As the gentleman mentioned, the reason is that they are basically below cost. They are not marketable.

I would like to point out that I noticed throughout my eight national forests that one of the major reasons of this is that once a tree dies, whether it be by fire or by insect infestation depending on the species, we have anywhere from 18 months to three years to salvage that timber before it is non-marketable.

So when we have those environmental groups that have been so successful at suing and holding up these sales, if they can hold them up for between 18 months and three years, then there will not be any bidders on them. That is the reason that the emergency salvage legislation was intended to expedite—not eliminate, but expedite this process so that we could get these trees out prior to the time that they are unmarketable.

Mr. VENTO. Of course, the salvage rider included roadless areas of Montana. It included 318. It included a variety of things. There are other factors that affect the profitability besides the age of the timber. Certainly, if it takes longer, it is in a position where it is not of value. I mean, I understand that with most species. There are some species that that does not affect as much. So that represents a dilemma in terms of salvage, because, in a sense, by the time you plan, it is an unplanned sale, you have to come in with some sort of a shortened period of time. I disagree, as the gentleman knows, strongly with the salvage rider as being the solution to that.

I also wanted to point out, Madam Chair, while you are tolerating my continued rambling on here, that some of the discussion about what the Appropriations Committee is spending and the volume that they are getting, I think, directly relates to forest health. I think most of us recognize that forest health is something that is going to require an investment in the forest, not spending less. The easiest thing is to go in with these high-volume cuts and chop it up and get some dollars back, but I think that those days are over.

Mrs. CHENOWETH. Will the gentleman yield?

Mr. VENTO. As long as I still have time, if the Chairwoman recognized my time.

Mrs. CHENOWETH. Yes, I will grant you time.

I appreciate Mr. Herger for pointing out the fact that these sales sometimes are not profitable because they do take so long to issue, and that was the very reason why we put through this salvage sale rider. Salvage sales need not be a loser for the government, but I can tell you one thing, Mr. Vento. Fires are a loser for the government, a big loser, so—

Mr. VENTO. I appreciate the observation with regards to fire. I just would suggest that that comes out of accumulation of management that has gone on for 100 years. It is not simply the most recent phenomenon. It has to do with how we fight fires and our fire regime. That, I hope, will be led by the science, not by emotions, and I think that it is a very emotional issue. I think that, in the end, we are going to have some fires. I do not think it is the salvage rider that is going to prevent it. I do not think it is wilderness management that is going to prevent it.

I think that we really need to reconcile that and not just use it as a debating point here or blame the management of the Northwest. After all, if cutting trees down was going to save the Northwest, it would have been saved many times over, based on the fact that we were cutting what, in my judgment, not to be argumentative with my colleagues, but what is over the sustainable type of forest.

The question is, how do you get the salvages done? The real question is, it is easy to sell the profitable stuff, but to manage a forest properly, you need to deal with forest health and you need to deal with much of what you would say is salvage, and most salvage—almost all salvage in most regions is not profitable to the government. Obviously, if you get wood prices high enough, it would be, but none of us are looking for higher wood prices, I do not think.

Mrs. CHENOWETH. I thank the gentleman, Mr. Vento.

Mr. VENTO. You are welcome, Madam Chair. Thank you.

Mrs. CHENOWETH. I thank this panel for coming so far and for your very informative and instructive testimony. I would like to excuse the panel now and call the next panel.

Mrs. CHENOWETH. The next panel consists of the Honorable James R. Lyons, Under Secretary for Natural Resources and Environment in the U.S. Department of Agriculture, and Mr. Lyons will be accompanied by the Honorable Jack Ward Thomas, Chief of the Forest Service and Mr. Tom Tuchmann, Special Assistant to the Secretary. We will also have joining us Ms. Nancy Hayes, Chief of Staff and Counselor, Bureau of Land Management, U.S. Department of Interior.

STATEMENT OF JAMES R. LYONS, UNDER SECRETARY FOR NATURAL RESOURCES AND ENVIRONMENT, UNITED STATES DEPARTMENT OF AGRICULTURE, ACCOMPANIED BY JACK WARD THOMAS, CHIEF, FOREST SERVICE, AND THOMAS TUCHMANN, SPECIAL ASSISTANT TO THE SECRETARY

Mr. LYONS. Thank you very much, Madam Chairwoman. I appreciate the opportunity to appear before you today. As you indicated,

I am accompanied by Dr. Jack Ward Thomas, who is Chief of the USDA Forest Service, and Mr. Tom Tuchmann, who is Special Assistant to the Secretary of Agriculture.

Your request letter for this hearing included a number of questions regarding the purposes, promises, and accomplishments under the President's forest plan. While my full statement responds to those questions in greater detail, I would like to offer a few brief summary comments in response to those questions up front.

To understand the goals and accomplishments of the President's Northwest Forest Plan, one must consider the circumstances that led to the need to develop the plan and the crisis that the Clinton administration was presented with when we took office and that we have sought to resolve.

When the Clinton administration took office, the Pacific Northwest found itself deep in turmoil and controversy over the future of timber sales, the viability of spotted owls, of salmon, and the future of old growth forests in the region. Litigation was driving forest policy, and injunctions against the sale and harvest of timber from the national forests and BLM lands in Western Washington, Oregon, and Northern California had brought the agency's timber sale program and the timber industry to their knees.

Neither the Reagan nor Bush administrations were able to resolve the controversy over timber production and forest protection in the region. Congress spent much time and energy reviewing this situation and receiving testimony regarding efforts by prior administration officials to resolve the issue. However, a legislative solution to the dilemma could not be fashioned.

While controversy and confrontations continued, the communities of the region suffered. Forest products firms continued to obtain fiber from limited Federal timber sales and from private woodlands, but for all intents and purposes, Federal timber sales were shut down. With no new national forest timber sales to fill mill yards, companies were left to operate the backlog of sales that they had purchased in years prior. But log supplies were clearly limited.

At the same time, concern for the future viability of the Northern spotted owl and the integrity of old growth forest resources was growing. Murrelets and salmon stocks were also under study to determine if their numbers were declining and their future was at risk.

A solution to the gridlock that gripped the region was desperately needed. On April 2, 1993, President Clinton convened the Forest Conference in Portland, Oregon, to address the human and ecological issues affecting the region. This was the first major conference convened by the President and reflected a substantial commitment of time and resources by the administration. The President, the Vice President, and a number of cabinet members were in attendance.

Participants heard and discussed a wide range of issues associated with the controversies affecting the region. It was clear that an aggressive and concerted effort by the Clinton administration was necessary in order to resolve these issues, to get past the injunctions and the gridlock and to get on with the management of the national forests in a balanced and sustainable way. At the end

of the conference, the President announced that he would commit the resources of his administration to developing a solution to the crisis in 90 days.

Soon after, the Forest Ecosystem Management Assessment Team, or FEMAT, was established, with Jack Thomas as chair. Dr. Thomas was then chief scientist of the Forest Service, operating out of La Grande, Oregon, and had made his mark in this issue through his leadership of the Bush administration's interagency spotted owl committee and through his participation in the House Agriculture Committee's Gang of Four study. Jack assembled a diverse team of natural resource agency experts and academicians with expertise in biology, sociology, ecology, hydrology, fisheries and wildlife management, silviculture, and economics. The team was assembled in Portland and began its work.

Under the gun and under fire, the team worked tirelessly to develop a comprehensive, innovative, and provocative report identifying a range of options for resolving forest management crises affecting the region. That report led to the development of a plan that eventually became the Clinton administration's strategy for resolving the gridlock in the Pacific Northwest.

The plan itself was to provide for the protection of old growth forests and associated flora and fauna in the region and to provide for the sustainable harvest of timber from the forest. However, the forest plan was not simply about forest management. It recognized that the region's economy was in transition from a strong dependence upon wood products to a more diversified economy which would benefit from a wider array of all the goods and services provided by the national forests of the region.

For this reason, the Northwest Forest Plan included measures to aid unemployed loggers and mill workers, to assist communities in identifying means to diversify their economic basis, and funds to retrofit mills and develop the needed infrastructure to improve and expand upon existing industries and facilities.

The President's forest plan is truly a revolutionary plan and it marks a new paradigm for forest management, not only in the Pacific Northwest but throughout the United States. The Northwest Economic Adjustment Initiative, a multi-Federal agency effort, provides immediate and long-term assistance to people, businesses, and communities where changes in forest industry and Federal forest management practices have affected the economic and social fabric of areas dependent upon timber. County payments which have traditionally been taken from Federal timber receipts are now governed by special revenue sharing provisions in the Omnibus Reconciliation Act of 1993.

Each State, Oregon, Washington, and California, has a group called the State Economic Revitalization Team, or CERT, to coordinate the implementation of the economic assistance programs. Members of Federal, State, local, and tribal governments and the private sector work cooperatively on these teams to make effective use of funds available to help businesses and communities.

For instance, Forest Service efforts include providing technical and financial assistance to displaced timber workers and businesses and communities through the Jobs in the Woods program, the old growth diversification and community assistance programs.

The Forest Service NEAI has invested \$12 million in watershed restoration through the Jobs in the Woods program and has awarded 300 contracts. Over 99 percent of the contractors and workers live in or operate their businesses within the affected region.

Data on the number of workers employed and their wages based on 60 percent of the Jobs in the Woods contracts awarded show that in 1995, 2,225 workers have been employed, 1,010 of whom were displaced timber workers, at an average wage and benefit of \$17.10 an hour.

Old growth diversification funds are used for projects that add value to existing timber resources and create and retain employment. In Oregon, this program stimulated the investment of \$15.77 for every dollar of agency funding. As a result, an estimated total of 943 jobs were created.

Overall, more than 4,900 job training opportunities have been created in the region, and as of last September, more than 81 percent of those completing training had found employment.

The Northwest Forest Plan applies current science to on-the-ground management. This is done in a number of ways. Watershed analysis provides the basic information for managing watersheds. Thus far, the Forest Service has completed 120 watershed analyses, comprising over seven million acres. We have done so in coordinating with the other Federal agencies who are our partners in managing the forests of the Pacific Northwest, and I would say that we are on schedule in completing the analysis proposed in the forest plan.

With respect to wildlife conservation, we are already seeing the benefits of our efforts. Where watershed analyses have been completed and the streamlined consultation approach has been implemented, consultation under the Endangered Species Act is completed quickly. For example, between August 30, 1995, and May 31 of this year, 102 informal consultations were completed, averaging 18 days per consultation. There were 18 formal consultations, averaging 46 days per consultation.

In order to sustain forest ecosystems and local economies, the Northwest Forest Plan recognizes the need to invest money into these ecosystems. This is accomplished through watershed restoration, by improving fish passages, stabilizing land erosion, resurfacing roads, revegetating road banks, and reclaiming unnecessary or problem roads. These projects have also provided immediate employment for displaced workers through the award of 300 watershed restoration contracts.

The Northwest Forest Plan has included management areas that build on our monitoring efforts but goes one step further in creating areas for developing and testing new ideas. The plan establishes what we call ten adaptive management areas, which operate on the principle of adaptive management, which means we learn from our actions and change our management when necessary.

For clarification, the Northwest Forest Plan covers 24 million acres of Federal land. Thirty percent of these acres have been set aside for special protection by acts of Congress. The remaining 70 percent is allocated in the following manner: Late successional reserves constitute 30 percent; adaptive management areas, six percent; managed late successional areas, one percent; administra-

tively withdrawn areas, six percent; riparian reserves, 11 percent; and matrix land, 16 percent. Approximately 19.5 million acres of the Northwest Forest Plan are National Forest System lands, of which 22 percent is in the matrix in adaptive management areas.

The sustainable production of forest products is a key part of the Northwest Forest Plan. The Northwest Forest Plan estimated a potential timber sale quantity of just over a billion board feet per year for the Forest Service and BLM management areas combined. The Forest Service's portion of this volume is approximately 850 million board feet. As forest plans are revised and on-the-ground analysis is completed, we will revise the PSQ.

In 1995, the Forest Service planned to offer 454 million board feet and exceeded that volume by offering nearly 500 million board feet. A portion of the excess volume came from late successional reserves and riparian reserves as a result of meeting ecosystem objectives. In 1996, the Forest Service plans to offer 610 million board feet, and in 1997, we will offer sufficient volume to meet the full estimated PSQ.

In short, Madam Chairwoman, we are on track for preparing timber sales under the provisions of the Northwest Forest Plan consistent with our commitment to ramp up to a sustainable level of forest offerings.

The accomplishments we have realized in managing National Forest System lands are the result of taking to heart President Clinton's principle to make the Federal Government work together and work for the American people. To facilitate this coordination, the Federal agencies have developed the Northwest Forest Plan Interagency Cooperative Structure. Part of this structure facilitates the Northwest Economic Assistance Initiative, that I just discussed. The Regional Interagency Executive Committee serves as the senior regional body coordinating and implementing the forest plan. A Regional Ecosystem Office provides independent recommendations and scientific technical and other staff support to the REIC.

The Northwest Forest Plan area is divided into 12 provinces with distinct land ecosystem and climatic qualities and an advisory committee is included in each province. As a result of these advisory committees, there have been over 300 people involved in advisory meetings concerning the forest plan.

Working in partnership with other agencies and the public, many accomplishments have been made. Some of these accomplishments are the completion of a revised Interagency Watershed Analysis Guide, streamlined consultation, the distribution of over \$29 million of economic assistance through the Community Economic Revitalization Teams, an interagency monitoring plan, the development of a strong linkage among the existing State Rural Development Councils and Community Economic Revitalization Teams.

In conclusion, we feel we have made significant progress in meeting the goals set forth in President Clinton's historic conference and encompassed in the Northwest Forest Plan, goals of supporting people and communities during a period of economic transition, of providing for sustainable forest products, protecting and restoring the environment, ensuring that Federal agencies work together as one government, and adhering to our nation's laws and utilizing

scientifically credible research as a foundation for our decisionmaking.

We are proud of what we have accomplished, Madam Chairwoman. We believe we are on target. I would be glad to answer any questions you may have. Thank you.

[The statement of Mr. Lyons may be found at end of hearing.]

Mrs. CHENOWETH. I thank you, Secretary Lyons.

I want to let the committee and the panel know that we have two votes that have been called, one on the NATO suspension and one on food quality suspension, so I think I am going to recess the committee right now. We will probably be gone for about 20 minutes. We will return about 1:30. Thank you.

[Recess.]

Mr. HANSEN. [Presiding.] Let me apologize to our witnesses. We are all really busy today and supposed to be in three places at the same time. Excuse the musical chairs that has been going on. I appreciate Mrs. Chenoweth chairing, as she has.

I understand, Mr. Lyons, that you have testified.

Mr. LYONS. Yes, Mr. Chairman.

Mr. HANSEN. Nancy Hayes, Chief of Staff and Counselor, Bureau of Land Management, U.S. Department of the Interior, are you up?

Ms. HAYES. Yes. Thank you.

Mr. HANSEN. How much time do you need?

Ms. HAYES. Less than five minutes.

Mr. HANSEN. Christina, give her seven minutes, will you?

[Laughter.]

Mr. HANSEN. Everybody goes over their time. That is expected, especially around here.

STATEMENT OF NANCY HAYES, CHIEF OF STAFF AND COUNSELOR, BUREAU OF LAND MANAGEMENT, U.S. DEPARTMENT OF THE INTERIOR

Ms. HAYES. Thank you, Mr. Chairman.

I appreciate this opportunity to bring the Subcommittee up to date on the Bureau of Land Management's implementation of President Clinton's Northwest Forest Plan. I will summarize my statement, but I would ask that my entire statement be made a part of the hearing record.

The President's Forest Plan established a blueprint, a science-based, legal, and balanced forest management plan that provides for both economic opportunity and protection of the environment through five fundamental goals. In June of 1994, just two months after the plan's Record of Decision was adopted, the Federal court injunctions banning timber harvests from Federal lands were lifted. Timber sales in the region of the northern spotted owl were once again offered and timber was harvested. Earlier this year, the President's forest plan was upheld by a Federal appeals court.

The President created the Northwest Forest Plan to resolve intense disputes about use of the public forests. Individuals on both sides of the issues were driven by passionately held beliefs, and the compromise reached in the Forest Plan did not please every interested party. However, the Forest Plan has had many successes: retraining dislocated timber workers, providing a stable, sustainable

supply of timber, protecting wildlife habitat and collaborative Adaptive Management Area planning.

Let me now turn to the specifics of the BLM's implementation of the Forest Plan. We measure our accomplishments, past, present, and future, against the Plan's five fundamental goals.

The first goal is to support the region's people and communities during a period of economic transition. From the start, the President made clear his goal was to relieve the paralysis that had gripped timber-dependent communities in the Pacific Northwest during the gridlock. To help these communities diversify their economies, the President developed a five-year, \$1.2 billion economic assistance package. It has awarded millions of dollars in grants and loans to stimulate business growth and economic development in rural communities in Washington, Oregon, and California, and to develop and improve community infrastructure, including waste systems and water treatment facilities.

The second goal is to provide a sustainable timber economy. Let me assure the Subcommittee that the BLM is meeting its commitment to offer timber sales under the Northwest Forest Plan. In 1994, the BLM in western Oregon made a commitment to ramp up to offering the full allowable sale quantity under the Western Oregon Resource Management Plans. In fiscal year 1995, we committed to offering 120.5 million board feet that met the standards and guidelines of the Northwest Forest Plan and we offered 129.5 million. In fiscal year 1996, we committed to offer 182.5 million board feet. To date, we have offered 128 million board feet and we will meet our target. We are committed to offering the full sustainable amount of 213.5 million board feet in fiscal year 1997.

The third goal is to protect and enhance the environment. At its core, the goal of the Forest Plan was to restore some level of timber harvesting by methods that also protect and enhance the environment. Our first priorities were watershed analysis and expedited consultations in timber sale preparation.

To protect and restore watersheds, the BLM began to do watershed analysis for the entire area, systematically characterizing the aquatic, riparian, and land features within a watershed. Watershed analysis is critical because it paves the way for timber sales, and other projects, in the future.

The BLM developed expedited procedures for consultation with the Fish and Wildlife Service on Forest Plan projects in the six western Oregon BLM districts to ensure protection for threatened or endangered species or critical habitat. Under these expedited procedures, the districts rapidly completed consultation on all fiscal year 1995 projects. We have already finished 80 to 90 percent of our fiscal year 1996 projects and we are already working on many of our fiscal year 1997 projects. These expedited procedures cut our consultation time by more than half. Informal consultations are completed in 17 days or less and formal consultations result in biological opinions in just 43 days.

The fourth goal is to ensure that Federal agencies work together as one government. The President directed the Federal regulatory and land management agencies to work together in carrying out the Forest Plan. This order to the agencies—to work better together—was unprecedented in a region as large as that covered by

the Forest Plan. But we did it, and things are working better than we hoped.

The fifth goal is to adhere to our nation's laws. In 1990, the BLM was not meeting all applicable environmental laws. In December 1994, Judge Dwyer found that the Forest Plan met the requirements of not only the environmental laws but also laws addressing the need for timber. Last month, Federal District Judge Thomas Penfield Jackson of the District of Columbia ruled that he was deferring to Judge Dwyer's ruling on the Forest Plan, and as you know, Judge Dwyer has been upheld by the Ninth Circuit. Legally, we are sound.

In summary, then, three points. Before the Forest Plan, we had gridlock. After the Forest Plan, we have a future for timber sales in the Northwest. We are proud of that future, and of our success in making it happen. Second, the BLM is meeting its targets for timber volume, and then some. And third, we are very proud of how well our people in the field have implemented the Forest Plan.

Thank you for the opportunity to testify. I will be happy to answer any questions.

[The statement of Ms. Hayes may be found at end of hearing.]

Mr. HANSEN. Thank you.

Mrs. Chenoweth?

Mrs. CHENOWETH. Thank you, Mr. Chairman.

Mr. Lyons, I wanted you to know that I have gotten some reports from Idaho that our lumbermen were very pleased with the instructive and informative meeting that Dr. Jack Ward Thomas had with them out in Idaho.

I wanted to refer to the graphs that are up there. Dr. Thomas, could you show me what percent of the 800 million board feet that you have lined out there for 1997, 1996, 1995, what percent is saw logs and what percent is pulp wood?

Mr. THOMAS. I could. I have it with me. It will take me a minute to find it.

Mr. TUCHMANN. If I may, the Forest Service does not report actual saw log/pulp wood/firewood volume in terms of target commitments, but what we did do, given concerns by this committee and others, is estimated that for 1995, and our estimate is that 77 percent was saw logs, 14 percent was for poles, and the remainder was noncommercial volume.

Mrs. CHENOWETH. Actually, what we have seen, although President Clinton promised a total of 1.053 billion board feet, saw logs being at 0.948 billion board feet and pulp wood at 0.105 billion board feet, we have not seen that, according to what our figures are. What we saw in 1994 were 0.187 billion board feet of saw logs, and then in 1995, 0.336 billion board feet of saw logs. So we are falling way under what is the normal industry standard and what the President had promised. Do you have any comment on that?

Mr. LYONS. Yes, Mrs. Chenoweth. I know that there was a report that was prepared, at least, we have obtained a copy of it, that alleges that we have fallen short of our goals. Mr. Tuchmann, who is in Portland working for the Secretary monitoring these things, I think, is in a position to respond to the specific points raised in that report and, I think, could explain the differences that exist. So

I will let Tom address that, and then, if you like, I think Jack can talk about what the forest plan called for overall.

Mr. TUCHMANN. We are getting into this arcane business of numbers and differences between volume offered, sold, and harvested. What the forest plan committed to in our probable sale quantity calculation was 953 million board feet offered. That offer is calculated on what they call chargeable volume, which historically was primarily saw logs but did not have to include saw logs specifically.

What I just reported to you, the 77 percent and 14 percent, that is 91 percent, was commercial volume that was offered last year under the 600 million board foot target between the Forest Service and the Bureau of Land Management, so we feel that we have met that probable sale quantity commitment in 1995, and we also feel that we are on track for 1996.

Mrs. CHENOWETH. What is the difference between the sales that were offered and the sales that were actually harvested, according to that chart?

Mr. TUCHMANN. Those are offered volumes, not harvested.

Mrs. CHENOWETH. Right.

Mr. TUCHMANN. A purchaser has up to three years to harvest that volume after it has been sold and awarded.

Mrs. CHENOWETH. My problem is that with Secretary Glickman's latest rules and regulations, it has brought it to a screeching halt. I know it has across Idaho, and that is a serious disappointment. I hope that there is some way we can work out of that, not only for jobs and communities but for forest health, too, and because we really would like to believe in the President's promise.

President Clinton said July 1, 1993, by preserving the forests and setting predictable and sustainable levels of timber sales, it protects jobs, not just in the short term but for years to come, and I think the President was talking about timber sales and protecting jobs.

Although I appreciated the Secretary's testimony, actually, what I am hearing is that we are putting a lot of processes in place but yet we are frustrated about getting the logs out of the forest.

Secretary Lyons, you also mentioned about the fact that the President's plan requires a watershed analysis, and you are engaged in that, to be completed for every watershed before timber sales can proceed. What percent of the analyses have been completed as of today?

Mr. LYONS. Let me just check my numbers on that for a second, Congresswoman. I would point out, if I could respond to the earlier point that you made, that neither the—I assume you were referring to the Secretary's directive with regard to salvage timber sales in your earlier comment?

Mrs. CHENOWETH. Yes.

Mr. LYONS. [continuing]—nor the activities that we have been involved in have brought anything to a screeching halt. Quite to the contrary, I think they have facilitated moving forward both with an aggressive salvage sale program and, of course, we have continued to operate aggressively to implement the—

Mrs. CHENOWETH. If the Secretary will yield for just a moment, most of the sales in my district have stopped because of the Sec-

retary's directive. I imagine it is that way throughout the Northwest.

Mr. LYONS. I would suggest to you, Congresswoman, that if they have stopped, it has been a temporary stop while some additional analysis and evaluation proceeds. What the Secretary's directive does is not stop timber sales. What it does is it clarifies which salvage timber sales should proceed under the emergency rules promulgated by the Congress and which sales should proceed through the normal salvage sale program. That is the only distinction that exists.

So I would be stunned if all salvage sales in your district came to a halt. In fact, I can assure you that, since Jack has been out there and talked with folks, that we are pleased with the performance of forest supervisors in that portion of Idaho in dealing with the salvage directive that they have received.

Mrs. CHENOWETH. Secretary Lyons, I just wonder if you could be in touch with James Caswell, the supervisor of the Clearwater National Forest, where sales that his people had been working on for a year, three major sales were brought to a screeching halt with the release of the Secretary's new rules and regulations.

Mr. LYONS. The only sales that would have been impacted in that regard, Congresswoman, would have been sales in roadless areas, and I would clarify that one of the objectives of the Secretary's directive is to try and place priority on those sales that ought to be a priority from the standpoint of threat to life or property, sales that might be imminently susceptible to fire.

In those instances where roadless area sales were proceeding, we provided direction that those sales should proceed through the normal process rather than the expedited process unless there is a threat that they are imminently susceptible to fire. So that would be the only distinction that is drawn.

Mrs. CHENOWETH. Mr. Secretary, what is the normal process? I do not think we have a normal process anymore. Dr. Thomas?

Mr. THOMAS. I think that some of the sales that Caswell may have under consideration are those that had been put forward and had been appealed and the appeal had been upheld and then we had proceeded with certain portions of that operation under the salvage regulation. That may be one that we have been instructed to—that was one set of sales, not that one specifically, but that one criteria was one thing we were told to pay close attention to, and I suspect that is one of the sales that he is dealing with.

The other one, the question is what is a normal procedure for a salvage sale?

Mrs. CHENOWETH. I wanted to know what is normal these days.

Mr. THOMAS. Oh, boy.

Mrs. CHENOWETH. Mr. Caswell said in a newspaper report that it is not clear yet whether these sales will be held up three or four months or until after the salvage law expires. If these sales do not fall under the criteria of having been appealed and upheld, would you be willing to release them immediately?

Mr. THOMAS. What we are going to do is follow the instructions in the Secretary's letter, which we have clarified out there, some of them, if it has a green component above a certain level, our instructions are that I would review those sales. So I am not—there

are a lot of sales. I am not familiar with specifically those. But there may be sales where that green component exceeds, I believe, 20 percent, 25 percent of volume, which we have been instructed to review at my level. When those do come in for review, we will expedite them as rapidly as we possibly can to make sure that they are OK, and if they are, we will proceed. If there is a problem, of course, we will hold them.

Mrs. CHENOWETH. I know my time is up and the Chairman wants to proceed. I am not going to talk about silvicultural management here, but I would love to just work with you, Dr. Thomas, on what your criteria is, even in associated trees. When they are in a disease or insect-infested area, they are likely to be attacked and killed, also, so we are very concerned.

Mr. THOMAS. I can respond to that very quickly. That is part of the review process. We would like to achieve other silvicultural aspects. We want to be as effective and efficient as we can, and if that is put forward and it is clear, then we will proceed. If there is a problem, we will not. But let me tell you, if we do not proceed, that does not mean the sale will not go forward. It means it may go forward after the expiration of the salvage rider because there is an obvious concern with public input and ability to appeal.

So we will follow that process. If it looks good and it seems to be within the guidelines, we will proceed. If not, we will delay it until the salvage rider is expired and then we will proceed under regular process.

Mrs. CHENOWETH. Thank you, Dr. Thomas.

Thank you, Mr. Chairman.

Mr. HANSEN. Thank you, Mrs. Chenoweth.

This has been an interesting hearing. This is the seventh hearing, I think, we have done on this type of thing. Also, we went out to Roseburg, Oregon, and did a hearing. But we keep hearing the same thing. We get a lot of folks in, elected officials, county supervisors, city councilmen, loggers, environmentalists.

There is a difference of opinion, obviously. The loggers point out, especially the union folks, how many hundreds of jobs they are losing. Some of the fish and wildlife people talk about how they have to have more habitat. The lumber people talk about how the price of lumber has escalated. Other people talk about how unreasonable the government is, whether it is the Forest Service, BLM, Congress, or whatever it may be.

Out of this timber sales, this salvage thing, that law was passed on July 27, 1995, and during the emergency period, the Secretary concerned is to achieve to the maximum extent feasible a salvage timber sale volume level above the program level to reduce the backlog volume of salvage timber.

If I am reading Secretary Glickman's direction of July 2, it pretty well countermands that. Is that the whole theory behind this, Mr. Lyons?

Mr. LYONS. No, it is not, Mr. Chairman. Quite to the contrary, it simply is intended to provide additional guidance with regard to how the emergency salvage program is to be implemented. It is not countermanding in any way, shape, or form. I would offer that it is a clarification of guidelines that the field is to use and direction

to Jack to help the field better understand how to proceed under the emergency provisions.

Mr. HANSEN. In your opinion, this actually compliments the law and does not in any way change the law?

Mr. LYONS. It is not inconsistent at all with the law, Mr. Chairman.

Mr. HANSEN. It was not intended to do that?

Mr. LYONS. No, sir.

Mr. HANSEN. Your chart, Mr. Lyons, and I was not here, and I apologize to you, identified the timber sale volume offered. How much of that volume was actually sold?

Mr. LYONS. I would have to get that information for you, Mr. Chairman. Of course, you understand that—

Mr. HANSEN. Can you give us a rough estimate of the offer and what was sold?

Mr. LYONS. If you give me a couple of seconds, we will generate that, Mr. Chairman.

Mr. HANSEN. While we are looking for that statistic, let me give you another one. How much of the volume is saw log volume and how much is other wood, pulp, fuel wood, et cetera?

Mr. LYONS. Actually, we just presented some of that information to Mrs. Chenoweth with regard to the percentages. Tom can go over it again, if you like.

Mr. HANSEN. I do not mean to try and pin you down. I am not trying to do that.

Mr. LYONS. No.

Mr. HANSEN. I just really, honestly want to know the answer to this. The President's plan establishes a probable sale quantity of 1.053 billion board feet with 90 percent saw timber and ten percent other wood. That is what he came up with. Was that not his idea?

Mr. LYONS. Why do I not let Mr. Tuchmann address that, since he just went over the numbers?

Mr. HANSEN. Mr. Tuchmann, we will turn to you, sir.

Mr. TUCHMANN. Again, Mr. Chairman, what we committed to was that volume in "chargeable volume", which includes saw timber and other commercial species. Our estimates are that 77 percent of the volume you see on that graph was saw timber, 14 percent was poles and other commercial products of that type, and that the remainder was noncommercial volume.

Mr. HANSEN. So it has not come too close, then, when he said 90 percent would be saw timber.

Mr. TUCHMANN. No, we never said that 90 percent would be saw timber.

Mr. HANSEN. No, the President did.

Mr. TUCHMANN. I am not aware of that.

Mr. HANSEN. Is that right? Maybe I have wrong information here.

Mr. LYONS. Mr. Chairman, if I could make a point here?

Mr. HANSEN. Sure.

Mr. LYONS. I am going to have to follow up with the information on actually how much was sold, but I want to make a point. There is always this distinction between sold and harvested and I think what essential is all we can do in the Forest Service, BLM, is offer timber for sale, hopefully, sales that are economically viable. So we

measure the performance of the agency, of course, by how much has been offered. So we have used as an objective approximately a billion board feet as our goal for timber offered, consistent with the President's forest plan, and I want to make clear that we are on track toward that offer goal.

Mr. HANSEN. Let me respectfully disagree with you just a tad, Mr. Lyons. As I read the law that was passed in 1995 and I read Mr. Glickman's instructions that he put out on July 2, it says no salvage in inventoried roadless areas except where imminently susceptible to fire. If you are going to achieve this thing, how do you not do that? It seems to me that you have a contradiction here. If you are going to achieve what it says in the law of 1995 and then you put a restriction on it where you could and could not go, it seems to me you cannot achieve it.

In these seven or eight hearings we have had, and when I talk to people from the land grant colleges and forest people, they say, let us get out and clean up some of this stuff. Your possibility of fire escalates dramatically, and we see all kinds of fires cropping up all around, whether they are caused by man or they are caused by lightning. But when you have a lot of timber around, most of us realize you are going to get the fire. It is just like when we do not take care of the pine beetle and we do not cut or spray. Immediately, we have these dead trees out there and you can almost count on it.

The head of the Utah State University Forestry Department told me at one time, he said, if you do not clean out the pine beetle, and he was talking about an area in the Dixie National Forest, which, incidentally, is having all kinds of problems because of the challenges of the environmental groups, he said, I will give you the statistics. You have 100 percent chance you are going to have a fire. He said, this is going to happen. Then he went on to say, then you have a 100 percent chance you are going to have a flood, and that top soil that has taken 100 years to build up goes to zilch and you will not bring it back in five lifetimes.

So I do not understand how my good friend, Dan Glickman, who I worked with very closely on a lot of issues when he was here, can think that this really compliments the law of July 27, 1995. It seems to me it is in contradiction to it.

Mr. LYONS. Let me elaborate on my answer, Mr. Chairman, if I could. I believe it compliments the law in that it does not restrict what timber can be sold. It just clarifies what process those salvage sales should go through. There is an emergency process that is spelled out in the statute.

Mr. HANSEN. I thought it was Colorado and Montana that made the restrictions. Am I wrong on that? The law says, not to enter roadless areas under these provisions in Colorado and Montana only.

Mr. LYONS. That may have been the case. I cannot address that specifically. I would say this with regard to roadless areas, if that is the question, that we have simply stated that salvage sales to be offered in roadless areas where the sale is not imminently susceptible to fire should go through what we would call the normal salvage procedure. That is, these are sales that should be prepared

with an EIS and that should be subject to appeal, so the public has an opportunity to——

Mr. HANSEN. How do you——

Mr. LYONS. That is the only distinction we have drawn.

Mr. HANSEN. Excuse me, Mr. Secretary. How do you determine when it is highly susceptible to fire?

Mr. LYONS. That is a judgment that has to be made on the ground, but it also has something to do with——

Mr. HANSEN. The district supervisor would make that decision?

Mr. LYONS. Yes, and——

Mr. HANSEN. Is that how that works, Chief?

Mr. THOMAS. Yes, sir. That would be correct, unless the volume was over 20 percent of the volume was green and the Secretary has instructed me to review those sales.

Mr. HANSEN. Thank you.

Chief, while I have you at the microphone there, I understand you recently visited some of the Forest Service salvage sales in the West. Based on your observation when you were out there, do you agree with Bonnie Phillips in her testimony, "the salvage rider has had a devastating effect on the ecological environment"?

Mr. THOMAS. No, sir.

Mr. HANSEN. You do not agree with that? How about——

Mr. THOMAS. Wait. Wait. I——

Mr. HANSEN. Excuse me, sir. Go ahead.

Mr. THOMAS. Let me—this is critical. Repeat that for me. I am a little deaf.

Mr. HANSEN. So am I, so speak up. Too much shooting in your younger years.

Mr. THOMAS. I still do it.

Mr. HANSEN. I do, too.

Mr. THOMAS. Could you repeat the question, please?

Mr. HANSEN. I just wondered, on your recent visit where you had an opportunity to see the salvage sales when you were out in the West, do you agree with Ms. Phillips, who testified earlier, and in her testimony, she says, "the salvage rider has had a devastating effect on the ecological environment"? Do you agree with that statement?

Mr. THOMAS. I would like to separate the question of the 318 sales away from the salvage part. There were 318 sales, the old growth sales that were associated. If we separate that out and talk about the salvage aspects of the rider, I do not agree with that.

Mr. HANSEN. You do not? How about you, Nancy Hayes from BLM? Do you agree with that statement from Bonnie Phillips?

Ms. HAYES. The BLM has, as the President directed, followed all environmental laws in implementing the salvage portion of the salvage rider. Therefore, I would not agree that it has had a devastating effect.

Mr. HANSEN. So both the Forest Service and BLM would disagree with the Audubon Society on this statement, then?

Mr. THOMAS. I disagree with that statement, yes, sir.

Mr. HANSEN. OK. Chief, the spotted owl situation on the Olympic Peninsula has recently been reanalyzed. What do the scientists think about the spotted owl population on the Olympic Peninsula? Is this an area of particular concern for the spotted owl?

Mr. THOMAS. I have not seen that.

Mr. HANSEN. You have not seen that?

Mr. THOMAS. I have not seen that.

Mr. HANSEN. Will there be a reanalysis of this stuff at all?

Mr. THOMAS. Yes, sir. There is a continuing rolling reanalysis. We are continuing to spend money both on monitoring and on research on spotted owls and we constantly consider new information. However, I would also point out to you that by the time we got through with Option 9, the question was a far larger question than spotted owls. It was a question of the old growth system and a number of—hundreds of other species associated with the system.

Mr. HANSEN. My time is more than up.

Mr. Secretary, the President's plan that I referred to, if you could get me that information, I would be grateful.

Mr. LYONS. I actually have that, Mr. Chairman, if I could just read it for you.

Mr. HANSEN. Sure.

Mr. LYONS. In fiscal year 1995, we planned to offer 458 million board feet. That includes the PSQ offer as well as the, what we call other wood. The actual offer was 493 million board feet. We sold 387, and 437 million board feet were harvested. In 1996, the total offer is 610. I do not have the 1997 figure here.

So the figures for 1995 would indicate we offered 493, sold 387 million board feet, and 437 million board feet were harvested. Those are the most recent figures.

Mr. HANSEN. I see. Thank you very much for your testimony.

Mr. Vento?

Mr. VENTO. Thanks, Mr. Chairman.

When you talk about the numbers, Mr. Secretary, we are not just talking about Region 9. We are talking nationwide on the salvage numbers? Those are only salvage numbers? Is this just Region 9?

Mr. LYONS. Those are the forest plan numbers. I am sorry. We keep jumping back and forth between forest plan and salvage sale program.

Mr. VENTO. Yes, I noticed that. In addition to this, then, there may have been more salvage that is harvested, or did the 50 million board feet that you are talking about—what was the salvage for Region 9, then? Or Region 6, pardon me?

Mr. LYONS. For Region 6? I do not have the actual salvage offer for Region 6 with me, Mr. Vento.

Mr. VENTO. That has been the concern, because I think Region 6, that is really what has driven the salvage. It is pretty obvious and evident from those that are in the forefront of this particular issue that it is a Region 6 issue. So I just think that the issue here is the forest plan. Obviously, we are talking about that today. You are also talking about, in conjunction with that, forest salvage. This does not include 318, then, either, does it?

Mr. LYONS. This reflects the actual offers on the west side, or the Cascades, of course, in Oregon, Washington, and Northern California.

Mr. VENTO. But these are new offers, new sales.

Mr. LYONS. Yes, sir.

Mr. VENTO. So they do not reflect 318.

Mr. LYONS. No, they do not.

Mr. VENTO. So we do not have 318 in there. We do not have salvage rider material in there. So I just think it is important that we understand what is going on. We keep jumping back and forth between these two, and I do not know, maybe somebody else has it very straight in their minds, but it is not in mind. So I just think, for the record, it might be that you want to do a full reporting on that if it is possible today, right now. It is not, I guess.

On the salvage sales, you also have offered and prepared more salvage sales than have been purchased, too, is that correct? Can you give me any type of idea for Region 6, since we seem to be talking about Region 6, what is offered and what is purchased? I might add that it is my understanding that you do not offer salvage that is not economic. You try to actually put these together to make them somewhat attractive and obtain all the goals that you have.

Mr. LYONS. Let me address the first question first. In terms of salvage offer for Region 6 in the Pacific Northwest, in 1995, our offered volume for salvage was 539 million board feet, which was actually 118 percent of what we had planned. In 1996, our offer for Region 6 thus far is 195 million, although we have 491 million projected. These are accomplishments through June 30, so the last quarter is when the bulk of the salvage is to be offered.

Mr. VENTO. So there is 419 projected, you said, for this year?

Mr. LYONS. Four-hundred-and-ninety-one.

Mr. VENTO. Ninety-one. In 1995, how much was purchased in Region 6 of salvage?

Mr. LYONS. Excuse me? I am sorry, Mr. Vento.

Mr. VENTO. How much was sold in 1995?

Mr. LYONS. I do not have that.

Mr. VENTO. Was it all sold?

Mr. LYONS. No, I do not believe it was. We have had problems in having some sales sold.

Mr. VENTO. Can you give us any type of characterization? Was there a significant portion that was not sold? I mean, we obviously need numbers because we are trying to operate on facts here.

Mr. LYONS. I am told that about 50 to 60 million board feet was not sold this past year.

Mr. VENTO. So you think that that is going to continue? In other words, have there been larger problems? Region 6, of course, is really the high-grade. In terms of the forests nationwide, it is really the high-grade type of timber.

Mr. LYONS. The interest in purchase, obviously, is a function of—stumpage price is a function of the quality of the timber and a number of factors. Stumpage prices declined precipitously between the time that the Recision Act was passed and the salvage rider was put into effect and where we are now.

Mr. VENTO. I know there are other economic factors, Mr. Secretary, that affect it, but I do not think that it affects the fact that Region 6 tends to be a very high grade timber, whether it is salvage or non-salvage. I mean, those are still the Douglas firs and cedars and other types of timber. I mean, we just do not have that in Minnesota. There is not quite as much interest in aspen.

Mr. LYONS. Of course, most of the salvage in Region 6 comes from the east side, Mr. Vento, so while we have high quality softwoods west of the Cascades and certainly have some highly val-

ued timber on the east side, the salvage we are talking about is from the east side, and that is a function of, as I said, the factors that impact its quality and—

Mr. VENTO. What often happens, Mr. Secretary, that, in fact, when putting a salvage proposal together, besides trying to be economic, you are trying to do something called forest health, is that right?

Mr. LYONS. Correct.

Mr. VENTO. I note that my colleague, of course, went on to point out, and it looks like to me that there is a pretty good definition in this that the Secretary is, in fact, pointing out that the salvage definition in the law that was passed was very broad and vague, in his words, in the words of the Secretary, the memorandum of the Secretary of July 2. That is what the Secretary says. Then he goes on to talk about trees eminently susceptible to insect attack, and then he goes on to talk about eminently susceptible to fire, but in that definition, he also deals not just with fire but he deals with personal property and life.

Mr. LYONS. What we have tried to do, Mr. Vento, is place a high priority on those sales that are in what we call the urban interface zone, so we are—

Mr. VENTO. I certainly understand that, Mr. Secretary. I just want it on the record. I mean, the point here is that when the Forest Service is dealing with these issues, they are not just dealing with these in the abstract in terms of volume but they are dealing with a number of other goals that are trying to be achieved, like preventing personal property from being damaged, is that correct?

Mr. LYONS. That is correct.

Mr. VENTO. The law does not specify that. This rider, at least, does not specify that. It seems to me that the Secretary in point four is also trying to avoid unnecessary duplication when he says, any part of a sale and preparation that was identified to the public through a scoping notice, environmental assessment, decision, or other manner prior to subsequent enactment of this law should, in fact, go forward. In other words, was there duplication going on?

Mr. LYONS. Actually, I think that was intended to address another concern, Mr. Vento, and—

Mr. VENTO. Maybe I misunderstood it.

Mr. LYONS. We wanted to be sure that in offering salvage sales, that sales did not proceed and were not offered under the emergency salvage program that had either been offered previously and withdrawn or had been offered previously as a green sale and then after the passage of the salvage rider were subsequently offered as a salvage sale under the emergency provisions. I think that is a rare event, but we wanted to be abundantly clear.

Mr. VENTO. No. I thought points four and five—in fact, point five, I think, addressed that, so I think that there is, though, it seemed to me, in reading that, that this was actually intended to, in fact, not require duplication, and that point five actually addressed the answer that you have just given me.

One of the suggestions here is that there is a direct relation—we have heard this allegation over and over and I want the Forest Chief or yourself, Mr. Secretary, to respond to it—and that is that

the incidence of fire and its relationship to salvage and the manner in which the forests are managed.

And secondly, I wanted to raise the question about reducing the total volume of salvage that might be occurring, even though you have right now what many would describe as an aggressive program, one which, in fact, limits the application of various procedures and process which, I think, really in the end is not going to be helpful. But in any case, it does truncate many of the laws and other process that have normally been followed, but will, in fact, because of drought, because of other factors, really overshadow what happens in terms of salvage sales, not the least of which one is, of course, that you cannot sell the salvage. If you, in fact, prepare the sale, you cannot force people to buy it because there are market forces and/or other issues that deal with profitability.

So my two questions, one deals with giving a shot on fire, and second on reducing the total amount of salvage that is in our national forests by virtue of this law or any other.

Mr. LYONS. I would say, Mr. Vento, that we believe with these additional directive and clarification offered by the Secretary, we are going to be within the goal that we agreed to with the Congress as a part of the salvage rider that was on the Recision Act.

With regard—

Mr. VENTO. Let me just interject, though, that the law that was read here said that you would reduce the total amount of salvage available in the forests.

Mr. LYONS. The law directed us to address the backlog that exists, and I would say that there is certainly a tremendous amount of work that needs to be done to improve forest health. Salvage is one portion of that.

I will let Jack address silviculturally what it is we are trying to tackle.

Mr. THOMAS. Without giving a long speech, this issue is so politicized that everybody is losing focus here. We have a forest health problem, in my opinion, when we define what is healthy, and healthy enough for what. It took us a long time to get there. We would not get out of this with the salvage rider, with or without it. This is a small portion of the problem.

Salvage can be part of the solution. Sometimes salvage is to make some silvicultural treatment, to fireproof. Sometimes salvage is just salvage because it makes sense. We can do it, achieve some objectives of getting ready for regeneration, that we can provide jobs, we can provide wood to the mills. Sometimes salvage is just salvage.

This issue needs to be a broader discussion. This salvage rider is a blip. When it is over, no matter what our achievement is, we still have a very large problem that we have to collectively address in some intelligent fashion.

I will make my little speech now. I hate to see us so diverted by this particular question that we lose focus on the larger questions that we have to address. This is just part of it. We do have salvage we can do. We were already aggressively moving ahead with salvage. But I am afraid that all of this argument is beginning to divert us from the real question of how we address those questions that have evolved over a very long period of time. This will not get

us out of it. This did not get us into it. This is one year in a very, very long program and we need to start talking about how we are going to get from A to some desirable condition further downline. That is my answer, and excuse my speech.

Mr. VENTO. I appreciate it, but I just think it is an important question because the presumption is that this is sort of a downpayment and that you can reduce the amount of salvage, but I think it is obvious from the economics and from weather and other factors that are going on that it is not likely to happen even if you hit the so-called targets here, even if the market sustains it.

I think the other issue, of course, is the whole fire regime issue and the suggestion that simply the lack of an aggressive salvage program is responsible for the fires. It would be good just for fires to burn where there are salvage laws, but unfortunately, they do not do that.

Thank you, Mr. Chairman.

Mr. HANSEN. Thank you.

If I may ask Nancy Hayes another question, we had some interesting testimony to start out with. Sue Kupillas testified today about the blowdown/snowdown salvage sale possibility and testified there are tens of millions of board feet of timber, probably 100 million board feet of timber in these lands. They say a lot of this is sawmill quality timber. This is kind of under your jurisdiction. Do you intend to harvest that?

Ms. HAYES. Yes. We try and harvest any—well, if it is too dispersed, it is difficult to harvest it. It may not be cost effective. We may not get bidders. But assuming that the blowdown is condensed enough that it makes sense, we try to harvest that. My understanding, also, is that the forest plan does not preclude such harvest in LSRs, which—

Mr. HANSEN. You have two of them. One is yours and one is the Forest Service's. What does the Forest Service intend to do?

Mr. THOMAS. We ordinarily pick up any salvage opportunity that we have that we can do under environmental restriction and that makes some semblance of economic and social sense. But as Nancy was trying to point out, even in the Northwest, where their lands are located, and in Region 6 that we are discussing, such salvage is not even precluded within late successional reserves.

Mr. HANSEN. I do not disagree with what you said earlier, Chief, regarding the bigger picture. I agree with that, and I know that some of these targets are sometimes arbitrary, just like we have arbitrary things. We just kind of like to follow it out and see what we can do to get the best of both worlds, if there is a way to do that. You could salvage some of this timber, keep the prices of timber down, which seems to be totally prohibitive today. In fact, a guy was telling me the other day you can build a steel house cheaper than you can a wood house, which I thought was an amazing statement.

Mr. THOMAS. Mr. Chairman, I might want to point out to you that we have had a precipitous decline in stumpage value, which is part of our problem in being able to get some of this stuff marketed. Things that we could have obviously marketed when we started preparing the sale, by the time we got through, the price had declined to the point where it was difficult for us to sell it.

Mr. HANSEN. The market is always the driver in this thing, there is no question about it, just like our cattlemen right now. I wonder if there will be any of them left at the end of the year. The cattle prices are down to zilch, but you do not see anything reduced in the supermarket. That is what bothers me, and it kind of gives you a little clue. I have had a chat with Secretary Glickman, and I appreciate him moving out on that. I have greatest the respect for Secretary Glickman and his group. He seems to be on top of it.

Mr. Herger, do you have some questions for this last panel?

Mr. HERGER. Thank you. I do, Mr. Chairman. Again, I appreciate a chance to be able to sit on your panel and I appreciate our panelists.

Just catching part of your last statement here, Chief Thomas, I would have to say I agree with you. We have a major problem, which I believe the Forest Service and many of us are aware of. At least, some of us are aware of this. We eliminated fire beginning in the 1850's, heavily eliminated it in the early 1900's and up to this point, and we have forests that by the Forest Service's own statistics are 82 percent denser and thicker than they were in 1928, maybe one and a half times denser than they were in the 1850's.

Now, we are in this situation, particularly in California, where we are subject to droughts, where we do not get as much rainfall as in Washington and Oregon and where we now have forests that will burn entirely, unlike historically, prior to the Europeans coming to California, when there were periodic fires that did not burn the entire forest. That is what I see as a problem. I believe that is what you were alluding to, this big problem that we have of getting to and somehow managing these forests, at least in part.

But just to ask you briefly, I know that you have stated before this Congress in the past that you have faith, great faith in the qualifications and judgment and work ethic of your local Forest Service experts. I would presume that this has not changed.

Mr. THOMAS. That is correct.

Mr. HERGER. If you would look at some pictures that we have taken from different areas in the district that I represent, one is a picture of the Lick Creek, which is part of the Klamath National Forest and part of the Dillon fire area, and the other is a Lone Pine Ridge which is between the Six Rivers and the Shasta Trinity, on the border of both Congressman Riggs' and my district.

Your local experts have identified these two sites as areas that are eminently susceptible to fire. I guess my initial question is whether you would agree with them?

Mr. THOMAS. I would not argue with my local experts, but I will not answer it over looking at those pictures.

Mr. HERGER. Understandably. But these are some pictures of the areas that they looked at extensively on the ground and have determined—at least, their judgment was that these sites are a major risk and that there should be something done with them, like treatment, in order to reduce the risk of wildfire. Yet both of these areas, both Lick Creek and Lone Pine Ridge, are located in roadless areas. Based on the recent directives from the Secretary of Agriculture and clarifying memoranda from you, will these sales

that have been recommended by your local experts go forward under the salvage law?

Mr. THOMAS. Under the salvage law, no, sir, but I would assume if they are good, sound operations and those roadless areas are in the timber base, we will proceed under regular process after the expiration of the salvage law. I think the Secretary's concern is that we prepare full environmental impact statements for entry into roadless areas that are in the forest plans for timber base, that that is the standard process and he feels that we should not enter a roadless area without ability for public appeal.

Mr. HERGER. You are also aware, being Chief of the Forest Service, of the problem we have. The reason for the salvage law was the fact that we have a timeframe for working before these trees become unmarketable.

Mr. THOMAS. Yes, sir.

Mr. HERGER. Depending on the species, it is 18 months to three years at maximum, two to three years. If the extreme environmentalists through their lawsuits can stall us long enough, it does not matter if you put them up, and that is what is happening. We sat down and spent a lot of time, both with yourself and your representatives when we drew up the salvage law this last year. This was the problem that we were addressing, and yet you—maybe I should begin addressing my questions to Mr. Lyons.

Mr. LYONS, why is it that the very tool that the administration worked with us to draw up, including the Forest Service and Mr. Thomas, is being defeated by a directive that now will stall this longer and do exactly the opposite of what the intent was?

Mr. LYONS. I think, Mr. Herger, the Secretary stated it best in the memorandum that he sent to Jack. He stated in the opening paragraph, "Unique and unprecedented provisions of the emergency salvage program authorized in P.L. 104-19 impose an equally unprecedented responsibility upon us to administer the program while sustaining the public's confidence in our stewardship of the national forests. While I believe the program has been successful due to the dedication of Forest Service employees, I do have some concerns and members of the public have expressed concerns about its implementation and those concerns have given rise to the following clarifications in policy." That is, I think, the key.

Also, I just want to clarify for the record that our participation in the development of the salvage rider was, I think, more at the tail end than in the beginning, as we sought to mitigate some of the impacts of what we thought the initial version of that bill might be.

Mr. HERGER. Are you saying that the agreement that the administration, through the Forest Service, came up with and signed off on a letter, as well as the letter that President Clinton signed in which he said he intended to implement this, were not what they really meant?

Mr. LYONS. I am saying two things, Mr. Herger. One is that we will fulfill the commitments that we made, consistent with the letter that was written by Secretary Glickman to the Speaker, and we will operate consistent with the goals that were set, plus or minus 25 percent.

I think the other thing I am saying is, and I have said this earlier, we are operating through this directive in a manner consistent with the statute, and let me be clear about that. The statute says in Section 2001(c), "A document embodying decisions relating to salvage timber sales proposed under the authority of this section shall, at the sole discretion of the Secretary concerned and to the extent the Secretary concerned considers appropriate and feasible, consider the environmental effects of the salvage timber sale and the effect, if any, on any threatened or endangered species, and to the extent the Secretary concerned, at his sole discretion, considers appropriate and feasible, be consistent with any standards and guidelines from the management plans applicable to the national forest or Bureau of Land Management district on which the salvage sale occurs," the key phrase being "to the extent the Secretary concerned, at his sole discretion, considers".

The Secretary has put out additional clarification consistent with his discretion provided in the statute that you all authored so as to ensure that the salvage sale program is implemented in a manner consistent with the goals and objectives set up by the President, and that is simply what we are seeking to achieve here. We are not stopping salvage sales. We are clarifying under which authority salvage sales should proceed, consistent with the statute.

Mr. HERGER. So, you are saying that you are not stopping salvage sales. We just went over the fact that we do have experts in the field who have recommended sales in both of the cases that we have pictures of. Are you saying, then, that the Secretary is making the decision to override the experts in the field, to say, no, we are going to hold these sales up?

Mr. LYONS. No, Mr. Herger. The Secretary has simply indicated that these sales in roadless areas should proceed under a different process, the process that would normally apply to salvage sales if the salvage rider were not in effect. It is likely that these salvage sales will proceed. However, they will proceed under the normal process of an EIS with an opportunity for public input and possibly appeal.

Mr. HERGER. And we are already two years into both of these sales. We have a window of maybe three years at the max, two to three years. So in other words, by the time we finish studying this, which was the whole purpose of the salvage bill to begin with, and even if they decide to go ahead, there will not be any economic value of going ahead and salvaging this. That is, in essence, what you are saying.

Mr. LYONS. No, Mr. Herger. That is not what I am saying. What I am saying is—

Mr. HERGER. Because with the present legislation, the Forest Service supervisors, of which Jack Ward Thomas, the Chief, has indicated in prior testimony and just here a few minutes ago, he has confidence in, both have recommended, with their studies, going ahead with these. Yet you are saying that we are going to have the Secretary of Agriculture, Bill Clinton's Secretary of Agriculture, hold these up an additional amount of time to the point that these sales would be infeasible.

Mr. LYONS. All we are saying, Mr. Herger, is that the experts should determine whether or not these are appropriate salvage sales. The policy decision that has been made and the direction—

Mr. HERGER. And they have indicated they are.

Mr. LYONS. And the policy decision and direction that is being offered is that if these are, in fact, salvage sales that should proceed in roadless areas, then those should go through a different process than the emergency process which should apply to true emergencies. It should apply to those sales that face an imminent threat to fire or insect or disease, that pose a threat to life and property.

Mr. HERGER. Is the feeling, then, that owls and habitat will be able to dwell in these areas better once a fire has completely burned them down?

Mr. LYONS. I cannot speak to the impacts of these particular sales, Mr. Herger.

Mr. HERGER. Because, in essence, that is what we are doing. We are dooming these forests to fires, whether it be by lightning or accidental causes, which will burn them completely. If that happens in these areas, the sole blame will be at the feet of the Bill Clinton administration.

Mr. LYONS. Let me clarify, Mr. Herger. I believe what we are trying to do is make sure that we proceed in a manner that protects forest health, that reduces fire risk, and restores public confidence in the agency. What this salvage rider has done, in fact, in an attempt to expedite and bypass the public, has done more to upset and affect the credibility of the agency than anything any administration has done.

I would point to the fact that the Secretary and I both agree the Forest Service has done an exemplary job in implementing the salvage rider. The problem is that it has created tremendous public concern and misperceptions about the capability of the agency, and we are forced to try and address that through clarification reflected in this policy document. That is what the salvage rider has done.

Mr. HERGER. I appreciate the patience of the Chairman. I have gone overtime, and I appreciate your listening.

We have heard from previous panels that those who live in the areas are not happy at all with the job that the administration has done with this, and I think what it boils down to is whether we stall this long enough to where we can make it feasible to take out these trees or whether it costs us taxpayer dollars either in fighting fires or taking them out in a way that is not feasible.

Mr. Chairman, I thank you and I thank the panelists for their patience.

Mr. HANSEN. Thank you. This has been a longer hearing than we expected, and I apologize to our witnesses for many of us being in and out, but there are a lot of obligations on the Hill at this particular point. I am keeping quite a few people waiting right now.

Mr. VENTO. Mr. Chairman?

Mr. HANSEN. Yes?

Mr. VENTO. I just wanted to make one comment on the last thing, and I appreciate it, and I will not be long. I think that, given the capability of the Forest Service, or for that matter, the BLM, to deal with salvage, dealing with and recognizing the backlog of salvage that exists, much of it uneconomic, probably, to remove—

I mean, there are those problems—I think it is almost certain that if somebody sets up some sort of a goal with billions of board feet, whatever it is, unless it absolutely would take care of everything, and if three years is the life of timber on the ground, as an example, in terms of its economic use, you are almost doomed to fail, given the fact that you have tens of billions of board feet of salvage that exists in non-wilderness, non-park type of areas.

So the question is picking and choosing and making the sales. There are not the dollars there to prepare the sales, much less to do the forest health. So it is a scenario in which, unless they cut exactly what I want—for instance, in Minnesota, we had had some straight-line winds that knocked out some timber in the Chippewa National Forest. I think they used the salvage law. They probably would not have had to use it. There had been salvage that had gone on before and there will be salvage that goes on after.

The real question that we have to address, and I think this is what the Chief was pointing to, was whether or not we have the dollars and the policy in place that will, in fact, deal with the total forest health problem afterwards, because the salvage rider, in that sense, besides making everyone angry, with 318 and the roadless area types of harvest that occurred in Montana and apparently in Colorado—I did not remember that—but those actually were just taken out of the wilderness study, or not taken out of the wilderness study but they were precluded from being protected under wilderness bills introduced, as they had been before. They were not legislated wilderness study areas.

I mean, that is the sort of scenario you set up. So you can sit up here with anyone. You can bang on them and you can tell them that, but the fact is, they have to pick and choose what they are going to do and what is workable, and those that are the most viable and economical—if you have roadless areas, right off the bat, one of the costs is the roads. So that almost on its face indicates a higher cost type of option than where it is already roaded.

Mr. HANSEN. I do not think we are going to resolve this if you two get into a debate, so I will not let you.

[Laughter.]

Mr. VENTO. I am not trying to.

Mr. HANSEN. Let me just say, there are a lot of problems involved in this thing. My heart goes out to Jack Ward Thomas many times because I think before he makes a move, he has to figure out all the legal challenges he is going to have on that plus all the hoops that we put for him to jump through, so do your best.

Thanks to each and every one of you for coming today. We appreciate your patience and your testimony. We are now adjourned.

[Whereupon, at 2:51 p.m., the Subcommittee was adjourned; and the following was submitted for the record:]

U.S. House of Representatives
Committee on Resources
Subcommittee on Parks, Forests and Lands
The Honorable James V. Hansen, Chairman
July 23, 1996

Statement by the Honorable Wally Herger

It is not often that I agree with President Clinton when it comes to forest management. However, I fully concur with a statement he made in 1993 at a press conference announcing Option 9. President Clinton said on that occasion that "the Pacific Northwest requires both a healthy economy and a healthy environment and that one cannot exist without the other."

It is only appropriate, therefore, that we hold this hearing to determine whether the Clinton Forest Plan is successfully preserving both our environment and our northwest economies.

Perhaps the best place to start is the health of the environment. I draw the subcommittee's attention to two photographs taken within two late successional reserves in northern California. These are two small portions of the 21 million acres permanently set aside under the Clinton plan for little or no human management. The stated purpose of late successional reserves is to protect old growth forest ecosystems and habitat for species like the spotted owl.

The first photograph is of a burned late successional reserve on Lick Creek in the Klamath National Forest in my district. The second is of a blowdown in a late successional reserve along Lone Pine Ridge in the Six Rivers National Forest bordering my district and Mr. Riggs' district. As you can see, pictures truly can paint a thousand words.

The Lick Creek site burned in 1994 in a fire that covered over 27,000 acres. The Lone Pine Ridge site was part of a blowdown 17 miles long and 7 miles wide. Both sites are now imminently susceptible to insect infestations, disease and wildfire. The local Forest Service believes both are in immediate need of emergency salvage harvesting under the salvage law to protect owl habitat, begin reforestation, and provide several million board feet of timber for local mills. Tragically, however, the Clinton Administration has forbidden it under a recent directive from the Clinton Administration restricting implementation of the timber salvage law.

These scenes can be repeated over and over again in the Option 9 forests of northern California. Washington policies which mandate doing nothing are literally destroying the health of our forests.

Tragedies like Lick Creek and Lone Pine Ridge are the direct consequence of Washington dictating local policy under the salvage law. But even without the salvage

law, the Clinton Forest Plan would still prevent local managers from treating these sites. To better explain what I mean, I would like to show the subcommittee a chart that illustrates the process the Clinton plan requires local forest managers to follow in order to treat areas like Lick Creek and Lone Pine Ridge.

By way of explanation, the yellow and red portions represent the additional process required under Option 9 that is not otherwise required under current law. If you find this process unusually complicated or long, you are not alone. So do our local forest managers. I am told by the people on the ground that it is not unusual to take the full three years shown on the chart to treat sites like Lick Creek and Lone Pine Ridge. This is without litigation. Unfortunately, the Douglas fir and ponderosa pine trees at Lick Creek will be badly deteriorated within three years. The white fir trees at Lone Pine Ridge will be worthless within 18 months.

When and if these sales go to bid, nobody will bid on them, because they will be practically worthless. As a consequence, nothing will be accomplished on either site. Lick Creek and Lone Pine Ridge will be a total loss to the forest, to local communities, and to the American taxpayer. With impossible situations like these, it is little wonder that the Clinton Plan has yielded in 1994 and 1995 combined only one quarter of the 2 billion board feet that Secretary Babbitt, in a July 1993 press conference, promised the Administration would harvest in 1994 alone.

President Clinton's statement was true. As we lose places like Lick Creek and Lone Pine Ridge, our local economies in northern California are sure to follow. In 1994, the same year as the fire that burned Lick Creek, the local mill in Happy Camp, only a stone's throw from Lick Creek, closed permanently for lack of timber. Last May the local mill in Hayfork, just to the northeast of Lone Pine Ridge, also closed permanently for lack of timber. Hayfork is the 30th mill in my district to close in recent years. The tragic irony of Hayfork is that the surrounding forests contain enough dead and dying timber to have kept this mill operating for another 15 years.

It should come as no surprise that Trinity County, where Hayfork is located, has an unemployment rate consistently ranging from 15% to 24%. It should come as no surprise that 80% of the children in Happy Camp Elementary School receive free or reduced meals. President Clinton predicted it would happen. His forest plan and forest management directives issued from Washington are making it happen.

To close, I would like to submit for the record a letter to President Clinton I received recently from Nadine Bailey, a former constituent of mine. Nadine tells the tragic story of a promise President Clinton made to her daughter, Elizabeth, in 1993 and the events that have transpired since. Time will not allow me to read the letter, so I encourage every member of the subcommittee to do so. Nadine and Elizabeth used to live in Hayfork while the mill was still operating. Their story puts a profoundly human face on what I have been talking about.

The people of northern California deserve some answers. The towns of Happy Camp and Hayfork deserve some answers. Nadine and Elizabeth Bailey deserves some answers. Hopefully we will be able to provide a few today. Thank you.

Lost Dreams and Broken Promises
A Letter to Bill Clinton

March 11, 1996

President Bill Clinton
The White House
1600 Pennsylvania Avenue
Washington, D.C. 20500

Dear President Clinton,

You made a promise to my daughter on a national television program. When Elizabeth showed you her yearbook with names of the children whose parents would lose their jobs because of the spotted owl, you made a promise to her and to all the children who live in timber dependent communities. Do you remember what you said?

Your promise was that you would solve the problems in the Northwest and California. That you would bring everyone together and they would come up with a solution that would allow logging and protect the spotted owl. Do you remember? Do you care where Elizabeth is today? Do you care where her father is? Do you know how hard her family worked to bring about solutions that would save the community and ensure the health of the forest? I hope this brief summary of the last three years will make you understand and regret your broken promise.

(1993) After the summit, I worked with the environmental community to develop a plan that would add jobs while protecting habitat and wildlife. I received a call from Vice President Gore asking for my support for the Option 9 Forest Plan.

(1993-1994) The Option 9 plan is approved and the Hayfork region gets an Adaptive Management Area. (These areas were specially designed to have adaptive management techniques used to produce products that would enable local communities to survive the transition brought about by changes in forest management.) Hopes are high in Hayfork that some relief from the timber supply crisis will be felt.

(Spring 1994) Jobs become hard to find. Grants for Option 9 do not make their way to unemployed loggers. In fact, in public forums your representative admits that much of the money will go to infrastructure. In other words, the people most affected by change in national forest policy will be the least likely to receive help. We no longer have our own business. Years of work to build a business are gone and my husband, Wally, works for five different employers, some as far away as eight hours. Families are starting to leave the Hayfork area. Some Trinity county school districts now have 96% of children on free and reduced lunches which means they live below the poverty level.

(Fall 1994) The last large logger in Hayfork prepares to move operation because of lack of work. The Adaptive Management Area fails to produce any more timber than other areas under Option 9. In fact, there seems to be more study in the AMA than in other areas affected by Option 9.

(Spring 1995) We move our family from our home in Hayfork to Redding. At this point, I contacted the many agencies that had been giving money to help displaced workers for help with the move. We were told that we didn't qualify because my husband had already found work. We were forced to borrow money from a family member to move. We had been home owners, now we are faced with renting, and finding the \$2000.00 needed for deposits. We cannot sell our home partly because of the market, and partly because the house was built by my mother and father and I can't face losing my home. Wally becomes even more bitter about being betrayed by your administration. Despite my job with the California Forestry Association we fall deeper into debt. My kids are not happy. City life is much different. To leave a high school with 125 kids and start again in a high school with 1000 is almost too much for country kids. I am very concerned about Elizabeth. She misses her friends so much. Wally finds work six hours from home. He moves out to live on the job site and I become a single mother again.

(April 24, 1995) A bomb goes off at my office killing my boss and friend, Gil Murray. I seem to have lost the heart to fight for our community. Nothing I have done for the last four years seems to have made a difference. My trust in government and society as a whole is weakened. You used the Oklahoma Bombing to attack right wing political groups. You never mention the Unabomber. Vice President Gore doesn't call this time.

(Summer 1995) Where did I go wrong, was it believing in the promises of a president? Could I have done more? Everything is beginning to unravel. With the exception of some local groups that came together to seek solutions through consensus, like the Quincy Library Group and the Trinity River CRIMP, everyone seems to be going back to war. I wonder if you realize what an opportunity you had to heal old wounds. Instead, all hope is fading for the future of towns like Hayfork. I still get calls late at night from people not knowing how they will make it through the winter, wanting to know if they should stick it out, if there is any hope that things will change. For the first time in my life, I have no hope.

(Fall 1995) I am offered a job at the Timber Producers Association of Michigan and Wisconsin in Rhinelander, Wisconsin. We are not making it in California. The work just isn't there. How can I leave my home and family to start over in a strange land miles from home? How can I ask my family to give more than they've already given?

(Winter 1995-1996) Wisconsin experienced the coldest winter in 50 years but we survive it. I love my job, but suffer as I see my family longing for the friends they love so much. I dream of the South Fork mountains, the river so clean and cold, the hot summer sun and the sound of the wind through the trees. We survive but our hearts ache.

(February 1996) I receive a call from a close friend. She tells me that the mill in Hayfork is closing. I sit in the living room with the lights out, looking at the frozen whiteness that surrounds me. The landscape looks like how my heart feels, barren and cold, a great white void. I can't allow myself to think of the pain my community is experiencing. How will they cope with the reality that their way of life is gone forever? I wonder, do you know and do you care?

(March 1996) I read a press release where you say that the salvage rider is undermining the healing process that Option 9 had produced. Do you actually believe this? Do you remember the workers whose wounds weren't healed, whose pain and loss was simply swept aside? Do you remember Elizabeth Bailey and the promises you made? Or do you think she has healed? Do you have the courage to meet her face to face now?

One of the first things I did when I became involved with forestry issues was an interview with Chris Bowman for the Sacramento Bee. He said, "Nadine, your story would make a great movie-of-the-week, but you would have to die at the end" I doubt very much if my husband and son will stay in the Lake States. They dream of the mountains and the tall trees and the sound of the wind in the canyon too much. So in the end, with my family scattered like leaves, a part of me has died. All I wanted was to keep our community together. When that hope died, I guess a part of me did too. Maybe it's time to make that movie now.

Sincerely,

Nadine Bailey
Former Resident of Hayfork, California

HELEN CHENOWETH**Oversight hearing on
President Clinton's Option 9 Forest Plan****Subcommittee on National Parks, Forests & Lands
House Committee on Resources
July 23, 1996**

Mr. Chairman, thank you for holding this hearing. Although my district does not contain any of the so called "Option 9" forests, what is happening with President Clinton's Forest Plan in the Pacific Northwest will most likely serve as a model for the Columbia River Basin's forest plan, which is in my district. My concern here, however, is that the Option 9 plan affecting the Pacific Northwest will be by default used as the model for the rest of the country. Option 9, Mr Chairman, is not a model to protect fish and animals, or to put people back to work. Option 9 is nothing more than a model to line lawyers' pockets; a model of what not to do. It is not a model forest program that we should follow when crafting other forest plans.

The President's so called Option 9 solution was announced in 1993, and adopted in 1994. The plan was to be the great "solution" - the solution to saving owls, squirrels, and fish, and a solution to saving jobs. Yet, here we are in 1996. Nothing has changed for the better. Between 1993 and 1995, 66 mills closed their doors in

Oregon, Washington and California. Unemployment has continued to skyrocket in many of the rural communities despite President Clinton's promise of economic assistance and retraining for displaced workers. Its worth noting, Mr. Chairman, that when jobs are found, they are not well-paying, food-on-the-table jobs. they are too often temporary and do not provide sufficient wage to support a family.

In my district, the agencies are putting the final touches on the Interior Columbia Basin Ecosystem Management Project (ICBEMP). Public comment closes next month. If the President's Option 9 Forest Plan serves as a guide post, I have grave doubts that the ICBEMP will do what is promised. Let's look at the facts.

President Clinton's Option 9 plan was to provide **One Billion Board Feet (1 bbf)** of sawtimber annually. Let me restate that for clarity. **President Clinton promised to facilitate annual timber sales of one billion board feet.** He's not even come close.

The first year that Option 9 was in effect, BLM and USFS sales were 0.187 bbf. FY95 saw 0.336 bbf; and sadly, Mr. Chairman, **FY96 is projected at less than 0.5 bbf.** Each of these levels fall miserably below President Clinton's promised level of timber sale availability.

Mr. Chairman, these paultry numbers must be considered not only against the one billion board feet of sawtimber promised by the President, but against the back drop of the 4.5 billion board feet

produced in the 1980s. The agreed upon one billion board feet goal was already a compromised number; compromised to only 25% of previous production. How would you like to live upon only 25% of your previous year's salary?

Today, even with President Clinton's one billion board feet promise, the actual production numbers are so low (less than 20% of FY94's promise) that they are killing Pacific Northwest rural timber communities. Between 1993 and 1995, 66 mills shut their doors.

The one billion board feet, Mr. Chairman, is a promise by President Clinton made to the families of the Pacific Northwest who make their living from timber -- a promise that was broken.

As if this weren't enough evidence of the Clinton Administration's true intentions, Mr. Chairman, Secretary of Agriculture Dan Glickman earlier this month issued a new directive that clearly violates the intent of Timber Salvage Act (P.L. 104-19). We passed the Salvage Act to streamline some of the bureaucracy that does nothing but keep salvageable timber from being harvested -- often times resulting in the timber just rotting away or being consumed by massive forest fires. This is literally burning money; money that should be food on the table of timber families.

Yet, Secretary Glickman's own staff has stated that some of the salvage sales that would have qualified under the Congressional directive are now pulled and not allowed under the new Glickman

directive. Let me restate that, even though President Clinton has promised one bbf, he has effectively pulled numerous qualified timber sales, three alone in my district totalling 36.2 million board feet. I've got to ask, Mr. Chairman, is this a good faith effort to reach President Clinton's one bbf promise to the American people? Sadly, I have to answer no. Another Promise Made, Another Promise Broken.

I look forward to hearing from our witnesses today, Mr. Chairman, and to asking the Administration witnesses some of these questions. Thank you.

TESTIMONY OF
SUE KUPILLAS, JACKSON COUNTY COMMISSIONER
Before the
House Committee on National Parks, Forests and Lands

July 23, 1996

Good morning I am Sue Kupillas, second term commissioner serving Jackson County. The federal government exerts an overwhelming influence on our citizens, our communities and business'. The BLM manages 449,000 acres in Jackson county alone. With the addition of the three national forests which are found in Jackson County, federal land managers control almost 50% of the counties land base. About half of the county budget, historically has been revenues from timber harvest on federal lands. Jackson Counties shared timber receipts resulted in as much as \$17 million for the general fund. In the national recession of the early 1980's shared timber receipts dipped as low as \$6.1 million. These receipts have funded an array of services, i.e. USFS contributed to roads and schools; O & C general fund revenues supported the criminal justice system, the administrative services and small contributions that sustained human service non-profits as well as OSU extension services including 4-H, home-ec and beef production education, also maintained the Water Masters office in the county, and the Soil Conservation Service. The county has downsized, combined departments, eliminated functions, and privatized services, anticipating the shortfall with changing forest management practices. Jackson County wrote the book on reinventing government. With a fast growing population and increasing demand for more law enforcement, human services, there is no comprehensive simple answer, but we feel the residents should bear part of the burden thus the proposed tax levy, and because the land is not available to tax, the timber receipts should also make up for part of the shortfall. In this testimony I will include the statistics and effects of revenues declining because of the annual reduction in the safety net. The Federal Government has set programs to address the job loss and declining revenues in the counties. Therefore I would also like to address the effectiveness of programs created to ease the job loss from the wood products industry. Finally, the future of timber receipts and the future of Jackson County depend on the success or failure of the Record of Decision on the Presidents Forest Plan for the Northwest. Because of the Counties direct impact, I will discuss the implementation problems with the President's Forest Plan ROD.

The reduction in timber receipts has a negative effect on Jackson County. In the addendum you will see the actual 3% reduction in O & C revenues projected out. While Jackson County is putting two tax levies on the September 17 ballot, the amount asked for will not make up for the decline in O & C. If the O & C revenue would disappear tomorrow, Jackson County would no longer be able to support a county criminal justice system. We would be unable to apprehend, prosecute or incarcerate criminals. As it is the picture is dismal. Of the \$11.4 million dollars of current safety net from O & C, -\$10.3 million is dedicated to criminal justice, the District Attorney, the probation system, jail, the juvenile system and rural county sheriff's patrols. The people of Jackson County voted in support of a criminal justice levy to meet the increased demands. The levy adequately increases staff for the Juvenile facility, the jail, the work release center, the DA's office and the probation office. The Commissioners guaranteed we would not reduce the O & C contribution we were already making, if people would vote to support increases to handle our growing crime in the county. Still as these safety net dollars from O & C are ratched down, we must ratchet down the criminal justice system. This is in a county that has one of the highest crime statistics in Oregon and one of the fastest growing crime problems in the region.

Also in the addendum you will see the list of cuts in services that will happen if the proposed library and general services levy do not pass September 17, 1996. When you look at the services listed, you might think, we can get along without these services. They wont affect the average citizen. Let me describe one service where prevention is having a big impact and without the prevention we will ensure a growth in crime and violence. (Need I remind you that prevention is much less costly and the dollars for criminal justice are declining also.) The service I will ask you to focus on for a minute is the Rogue Family Center , a model program for the State of Oregon and the nation. The RFC brings together federal, state and county services, as well as the local school district. The mission is development of an integrated system to better serve the families to bring self-empowering services to people willing to share the responsibility for themselves and each other. This is the most successful project in the state to work with dysfunctional families and help them back into employment and self-sufficiency. I helped start this program to deal with the

dysfunctional families that were caught up in a cycle of domestic violence, child abuse, alcohol and drugs, thus raising at risk children, destined to be our next generation of criminals.

Many of these families were dislocated timber workers (see attached 1995 Jackson County Housing Authority Report.) As a result of budget cuts and decline in O & C revenues, Jackson County will no longer be participating in the Rogue Family Center program. The county programs include, prenatal care and referral services to obstetricians, immunizations, well/sick child check-ups, blood pressure checks, stress management, nutrition assistance, answers to general medical questions and home visits to pregnant women and mothers with young children. Mental Health will also be terminated, including counseling for children and adults for low income families and persons receiving Medicaid. We will also terminate HEALTHY START, a home visitation program for first birth families, providing new parents with information on baby care, infant feeding, growth and development, activities to stimulate learning and parenting skills. Children in this area come to school with no readiness skills and many abuse symptoms. The long term impact on society is expensive, for these children at risk and it is preventable through a little investment and training during the first few months.

If the levy fails in September, Jackson County Health Department will be out of the project entirely. Thus, the very people that would have timber industry jobs, out of work, needing county services, will not be served. The long term effects on this community and on Jackson county are immeasurable. I have been involved with this community in an elected official capacity since 1980 when I was elected to the District 9 School Board , a district which includes this community. I have worked with this community toward empowerment for the residents for all these years. Here is an example, where the blue collar workers, retired fixed income residents, and generally motivated community, need a hand up with the few disenfranchised, problem families. We help with teaching self-sufficiency. Each family we help through crisis and back into a functioning unit, is thousands of dollars and heartache saved.

Every one of the services listed will have cumulative damaging effects on the social structure and economics of Jackson County. When timber revenues decline, social systems decline, family wage jobs decline, crime rises and criminal justice systems are reduced.

Another impact of the dollars allocated to address problems created by the Presidents Forest Plan on Jackson county and other counties is the JOBS IN THE WOODS program. As a Board Member of the Job Council that administers the program funds, I have had a direct interest in implementation and continuation of this program. The program is successful for the six participants who are employed currently as a result of training in this program. If this was intended to address the problem with dislocated wood products workers, there are by now thousands of workers, formerly employed by the industry in family wage jobs, no longer employed, and not affected by this program. The Jobs in the Woods will not make up for lost industry jobs. The problems being solved by the Rogue Institute of Ecology and Economy in helping the forest service change antiquated business and contracting policies, will help future success of this limited program. In the second phase, The Rogue Institute will help with apprenticeship training programs and creating private-public partnerships that bundle projects to create longer term projects for workers. This will improve the prospects for success. The addendum in the form of a memorandum from the Job Council shows that the program has six people entering employment with the cost of \$6,308 per person in 1995 and 14 in the 1996 program at \$6857 per participant. I support continuation of this program as one small component of training for the Job Council programs that give preference for dislocated timber workers. I do not support characterizing this program as having a major impact on displaced timber workers. To that end, I emphatically support maintaining a timber sale program from federal lands which has multiple benefits in high-wage manufacturing jobs, support for social systems and county services, creation of a product desirable in world markets and in addition creating a healthier forest under new forestry practices.

Because the timber sale program from federal lands has been severely restricted by the Presidents Forest Plan interpretation and has been subject to appeals, court actions, layers of administrative, prescriptive regulation, political positioning by national interest groups and delays, therefore I also support transfer of the O & C lands to the State of Oregon,

where we are leaders in combining good forestry, good science and a strong social and economic system.

I am a Democrat and an environmentalist and I want whatever plan we use, to achieve management of our forests so our children and grandchildren will inherit vigorous, healthy forests that support their generations.

The assumptions in The Forest Plan and the ROD include some that require creating a condition that has never historically existed on the forest. (The "Disneyland" ecosystem syndrome). Specifically, under the Standards and Guidelines for the plan there is a requirement for coarse woody debris of 120 linear feet, 16 inches in diameter that has to exist on every single acre. This is for the matrix lands.

Lets look at one sale observed by the Implementation Monitoring Team in the Butte Falls District, which was marked and sold, but not logged. The natural condition was that the stand had never been entered and was the 90 year old product of a stand replacement fire. The ground was somewhat clean and did not meet the requirement for coarse woody debris required by the ROD. Remember the stand was in a natural condition. Looking at the intent of the ROD, in a young stand such as this one, did the land managers fail to meet the ROD requirements if the coarse woody requirement was only achieved the day after logging was complete. Should the stage of the stand's development be taken into consideration? I think so. Should the coarse woody debris requirement be artificially met by cutting trees and leaving them to meet this artificial standard, or should the stand be managed, (in this case thinned) to release the stand and promote late successional characteristics which would in time, provide for coarse woody debris on its own, if there wasn't another stand replacement fire? This is but one case where the ROD assumes a condition that does not historically exist, and requires the managers to create an unnatural condition to meet a standard presumed to be natural. The reality is that the conditions in the forest are not uniformly the same, thus defy this prescriptive regulatory approach based on erroneous assumptions. (The "Disneyland" ecosystem syndrome.) We cannot

prescribe that every acre of forest has the same prescribed conditions. That is not natural nor desirable however, the ROD for The Presidents Forest Plan requires it.

The solution is to require general management plans over the landscape and on a larger scale and for longer periods of time for each forest allowing discretion for existing diverse conditions, thus steering clear of prescriptive, regulatory administrative rules, that do not match the conditions and many times are based on incorrect assumptions.

The Adaptive Management Area (AMA) should be the creative experimental area where new forestry techniques are tried, however, the AMA's are bound by the same administrative minutia of prescriptions and layers of screens and administrative review as the matrix, the LSRS and other areas. Under the guidelines the manager must still address the concerns of elk thermal cover, big game winter range, visuals, archeological sites, ephemeral streams, wildlife connectivity corridors and sensitive plants that are neither threatened nor endangered and the list goes on and on. As an example, the Squaw-Elliott timber sale in the Applegate, where the stand has been identified as a high fire hazard and risk. Under guidelines in both the Rogue LRMP and the NW Forest Plan, there are all the concerns mentioned above. The archeological site is a mining ditch and the visual is a lake and the streams run a little water when it rains but have no annual deposition and scour. When you screen for all these values, and require helicopter logging as specified by the local hydrologist, even though immediate and cost effective treatment is desirable because of high fire hazard, the sale is not practical with this burden placed on it. Even in the AMA we cannot accomplish a common sense goal of reducing fire hazard, because of regulation and cost escalation. (The constraints assume that any disturbance will damage the environment when we have scientific evidence and history that show us the natural system in the forest is created by natural disturbances and catastrophic events which humans have altered in the last 10,000 years.) There is not enough flexibility built into the ROD to experiment making assumptions that are different. Recognizing nuances and differences is the basis for creative problem solving in science and all other endeavors. The restrictions add up to an equation that guarantees failure. To their credit, the agency managers and personnel try to meet ever more burdensome regulation, but the task cannot be successful as now prescribed.

Another example of application of the ROD for The Presidents Forest Plan is the Snowdown/Blowdown timber in Jackson and Douglas Counties (called windthrown by the Medford BLM). First I credit the Rogue River National Forest with rapid and thorough timely attention to this natural disturbance in the forest. Members of the Jackson County Natural Resources Committee and Headwaters, an environmental group have been meeting with the team created to analyze and recommend action. (I have requested the forest supervisor also contact the industry group, SOTIA, who would have an interest in being a part of the discussion, but as of this date they have not been contacted.) There were several winter storm events that contributed to downing significant amounts of timber in the Butte Falls, Prospect and Umpqua ranger districts. Logging contractors have cleared campgrounds, roads and are working on the matrix lands. They have found double the amount of wood estimated, so the amount of downed wood is probably 2 to 3 times the estimated 20 MMBF. The team is concentrating on what can be done with the downed wood in the Late Successional Reserves area, with the goal of making a recommendation to the Regional Ecosystem Office, where the final decision resides.

The maps I will show you clearly show what the problem is. With the overlays of Late Successional Reserves with limits in treatment, the limits in the riparian areas, the limits in the scenic river special interest areas etc., there are too many restrictions before we talk about solving the immediate snowdown/blowdown problem. In addition we are to consider the treatment to remedy the problem. The question that is confusing is which value takes precedence when we make the final decision. The entomologist have confirmed that the bark beetles are already at work on the downed timber, and that we can predict that for every downed tree, three live green trees will be attacked and killed by bark beetles. Moreover a 1955 entimology report confirms the damage could be much more severe. The fire specialist confirms that the forest already had a burden of fuel that would cause a stand replacement fire, and with the added fuel, this would significantly increase the risk. The REO participant agreed that a stand replacemnt fire and beetle kill would not enhance the Late Successional Reserve, but would have catastrophic consequences that could destroy the LSR. There should be no question about treatment. A significant number of the downed trees need to be removed to ensure the survival of the LSR area. This needs to be done in a timely manner and we are still debating about the results. We

must verbalize this in a way to justify the ROD and the goal of preserving the LSR. Meanwhile, the public will not support waste and deterioration of this important part of the Jackson County landscape, economy and recreational area. The wood could go to our mills and keep workers in valuable jobs. We can create a valuable product. And we can preserve our forest ecosystem. If we wait too long lightning strikes will ignite the forest and we have all wasted our resource and a valuable part of our community to fire. The regulation is overly prescriptive and the process too long when you have a significant natural destructive event such as this. Regulation stops action and inaction most certainly will mean destruction.

The Medford BLM has written a letter to confirm that swift action has been taken to do what they can to remove 80mbf of windthrown timber. There is no estimate of the total volume, but the letter indicates, the BLM will leave the prescribed down woody debris (because it was not naturally there) before they remove any more from other areas. I believe the managers are working hard to meet the requirements of the ROD and to remove what they can. I also believe they will be blamed if the resource is lost to fire or bug infestation.

I think the process required by the ROD, while has merit, slows down the managers in making the required decisions and as always they take a conservative approach with the constant threat of lawsuits. In checking with agency people in higher official capacity, one indicated there was no way any wood could be removed from LSR's. Another clearly stated that the local supervisors would be responsible for the decisions under their jurisdiction. The supervisors say the decision rests with the REO office. There is some indication that with it being an election year there might be interference with the process from the ecosystem office in the White House. I have a meeting scheduled with them to verify what their interest and involvement will be with the implementation of the ROD and the event of forest disturbance in Jackson County.

If the Forest Service and BLM Receipts came to the counties, instead of the counties being in a safety net the revenue would help to maintain county services. As it is, it will help save jobs and families and community stability. The desire of Jackson County is not to remain

forever in a safety net that declines and can at any time disappear. The best solution would be to assure a level of management and a % of the total acreage that can be managed, then allow management at the local level, without prescriptive oversight.

In summary, I would conclude that I want the goal of forest management to help create healthy forests for our children, and our children's children. I want us to manage not only for healthy forest ecosystems, but for products, jobs, families, housing products, social and economic benefits. We have the best of all worlds when we have a renewable resource and we know how to effectively manage in a sustained yield, environmentally sound manner that creates our community stability forever. We have a great system that requires us to accept the tradeoffs and responsibility for our communities demands and not transfer the problems to other continents less able to handle the environmental safeguards. Option 9 is too prescriptive and still is full of assumptions that are not true. I have outlined a few of them to you. Option 9 does not implement a system that requires wood removal for useable products, job creation and community stability, thereby neglecting a valuable part of the equation. The introduction spells out the concerns, but the prescriptions and the interpretation are such that there is a general assumption that timber cannot be removed from LSR's and riparian areas. I would refer you to Governor Kitzhaber's letter to Representative Jim Bunn, where he describes an interpretation that LSR's are to be protected and not resource production potential and thus, in the O & C transfer, the LSR's would be an administrative and financial burden, without producing revenue to manage. If the LSR's and all but matrix lands are to be treated like national parks, then we do not need agencies at all, we could transfer all these protected lands to the national parks and only maintain them as parks. That is the attitude by many who do not support wood production on national forests and Bureau of Land Management lands. From the beginning, the Option 9 of the Presidents Forest Plan was interpreted to allow production of wood products and management in riparian areas and LSR's. I suggest that Option 9 of the Presidents Forest Plan be clarified, simplified and less prescriptive, letting the local supervisors have the flexibility necessary to manage and make it clear that wood production is a part of the management. As a local elected official who has devoted two terms to helping empower and strengthen local communities. There is a great deal of

mistrust in a top down prescriptive system , heavy with regulation and laced with punishment. The system of local empowerment I am describing is built on trust and confidence in people making the right decisions in local communities and with their local forests. Surely this is the system we want for a strong United States.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
MEDFORD DISTRICT OFFICE
3040 BIDDLE ROAD
MEDFORD, OREGON 97504



IN REPLY REFER TO:
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Kupillas
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RECEIVED

JUL 15 1996
JACKSON COUNTY
BOARD OF COMMISSIONERS

JUL 12 1996

Ms. Sue Kupillas
Jackson County Commissioner
10 S. Oakdale
Medford, Oregon 97501

Dear Ms. Kupillas:

This responds to your letter dated July 3, 1996, examining the timber salvage process being followed by the Medford District, Bureau of Land Management. The following information will clarify what the BLM is doing to salvage the winter blowdown.

Since March 1996, Butte Falls Resource Area has issued nine short-form negotiated permits for windthrown timber, totaling 80 MBF. We have had a number of requests to sell additional small amounts of timber on a negotiated sale basis. These requests have been denied for the most part because it is far more cost effective, both from preparation time and revenue return stand points, to sell this volume on a competitive basis. We are currently working on offering two competitive sales to salvage the blowdown. The Windy Evans Environmental Assessment, a 200 MBF timber sale, is out for public review and is scheduled for sale in August 1996.

The Ground Round Environmental Assessment is near completion and a September sale date is anticipated. This project is estimated to harvest approximately two million board feet of blowdown located in the Round Mountain, Flounce Rock and Trail Creek areas. We have been working with the Forest Service's Butte Falls Ranger District to include their lands in the Ground Round Environmental Assessment and timber sale. We also, are working with the Prospect Ranger District to include BLM lands located on isolated parcels in the School Marm area in a Forest Service salvage timber sale.

We understand an advisory committee has been formed, with members representing the Forest Service, Jackson County Natural Resources Advisory Board, Timber Industry and the Regional Ecosystem Office (REO), with an objective to evaluate the affects of salvage in Late Successional Reserves (LSR). The Medford District is awaiting the outcome of this process and will implement the final REO direction, which will be the same direction the Forest Service will be following. Through the Butte Falls Ranger District and Prospect Ranger District it is anticipated that all salvage of blowdown will be done consistently.

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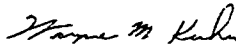
Until such time as further direction is received, we will be complying with all "Standards and Guidelines," including those which direct us to complete Watershed Analysis on all LSR's prior to any activity within the LSR (ROD SEIS pg. C-8 to C-17). These watershed assessments help to make better management decisions to protect and enhance conditions of late-successional and old-growth forest ecosystems, which serve as habitat for late-successional and old-growth forest related species. The Forest Service and the BLM are working together to complete a watershed analysis for the Elk Creek Watershed/LSR, projected to be completed by the end of July.

In areas along the roads in unmapped LSR's where it has been determined that "Standards and Guidelines" for coarse woody debris have not been met, trees would be cleared from the road prism, and left on site. If coarse woody debris standards have been met, the material could be harvested from the road prism. Theft of wood products is an ongoing concern throughout the Medford District, and enforcement is being accomplished by law enforcement personnel.

In your letter, you referred to salvaging under FEMAT. This document has been superseded by the Record of Decision (ROD) for the Final Supplemental Environmental Impact Statement on Management of Habitat for Late-Successional and Old Growth Forest Related Species Within the Range of the Northern Spotted Owl (SEIS) and the Medford District Resource Management Plan, Record of Decision (ROD), and therefore, no longer provides management direction.

If you have any further questions or concerns my staff will be willing to meet with you and your committee to discuss and or clarify our current direction.

Sincerely,



David A. Jones
District Manager

JACKSON COUNTY SERVICE CUTS THAT MAY BE RESTORED WITH PASSAGE OF 3-YEAR LEVIES ON SEPTEMBER 17, 1996

- Criminal Justice:
 - Sheriff patrols to unincorporated Jackson County will cease on September 30th. White City, whose citizens passed a special levy in 1995, will continue to have both patrol and code compliance services.
 - The Juvenile Department will not hire an additional counselor. Funds for a new juvenile center must still be provided in the near future.
 - The understaffed District Attorney's Office will not be able to hire additional professional staff as planned.
- All 15 Libraries will close after September 17.
- Agate Lake Park and the day use area of Cantrall-Buckley Park are closed. The county softball fields will close in September.
- Veterans' Service Office is cut from 1.8 employees to a .6 employee. Office hours are cut to two afternoons per week, resulting in fewer veterans receiving needed advocacy to obtain earned veteran's benefits.
- Funding for 4-H and Future Farmers prize programs and judging is no longer available.
- The Oregon State Extension Service will most likely close after county support ends on September 30th.
- The local voters pamphlet will not be printed after the November general election.
- Building maintenance will decline, and after July 1st, we will repair buildings only if there is damage.
- Assessment will not be current in making tax maps for newly created tax lots. There will be less actual field reappraisals and more reliance on market trends.
- The county will no longer maintain the buildings at the Expo Park. If they become damaged, they will remain damaged unless the Fair Board can fund the repair.
- The county no longer pays dues to the Rogue Valley Council of Governments, meaning the county will have less participation in regional problem solving. This includes issues such as traffic and clean water.

- The county no longer contributes to the Southern Oregon Visitors Association, an organization that promotes tourism.
- Southern Oregon Regional Economic Development no longer receives funds from the county.
- County finance, GIS (mapmaking), administration/budget, counsel, personnel, and Board of Commissioners all cut support personnel.

This means:

- Phones will often be answered by answering machines;
 - It will take longer to respond to questions and complaints;
 - Payments to vendors will be slower; and
 - The level of customer service will suffer.
 - The county contracts with a number of nonprofit agencies. This funding will cease September 30th. The funding was cut from \$270,000 in 1995-96 to \$33,500 for 1996-97. Two examples of cut services are:
 - On-Track will close the Men's Alternative to Violence Program.
 - The Medford Community Health Center will be closed on Wednesdays and will provide an estimated 2,200 fewer visits for the treatment of illness and communicable diseases.
 - Health & Human Services will close all communicable disease clinics. This means there will be no public health programs for sexually transmitted diseases, rashes, lice, hepatitis, measles, etc. Programs for poor, young, single pregnant women will be curtailed.
- Dog license fees will have to be increased or the animal shelter will have to curtail hours of service and number of animals housed after September 30th.
- Zoning code compliance ends on July 1st, and the available hours for accepting permit applications have been reduced.

JACKSON COUNTY 3-YEAR COUNTY LEVY PROPOSALS

Jackson County's current tax base per capita is \$10. Including the old Library Levy and the Criminal Justice Levy, the consolidated tax rate per capita for all county taxes was \$59.

Component	Current Levy	Proposed	Difference
LIBRARY	4,100,000	5,300,000	1,200,000
COUNTY SERVICES			
Expo	0	100,000	100,000
Parks	0	250,000	250,000
Health & Human Services	0	941,000	941,000
Grants/Nonprofit Human Service Agencies	0	500,000	500,000
Law Enforcement	0	650,000	650,000
Justice Services	0	531,000	531,000
General Government	0	1,128,000	1,128,000
Reserves	0	300,000	300,000
TOTAL =	0	4,400,000	4,400,000
GRAND TOTAL =	4,100,000	9,700,000	5,600,000

Library - Will allow the library to keep all branches open, maintain open hours to meet patron demand, and add to the book and non-print collections.

Expo - Will allow capital repair and maintenance.

Parks - Keep parks open and allow for capital improvements, repair, and maintenance.

Health & Human Services - Will restore disease control, maternal child care programs, and the Upper Rogue Family Center in White City.

Grants - Will provide support to the public/private partnership, including ACCESS, Community Health Center, Crisis Intervention Center/Dunn House, Shelter and Evaluation Center and Youthworks, Nonprofit Legal Services, Commission on Children and Families, Alcohol Recovery Center, Ashland Adolescent Center, CERV, Children's Advocacy Center, Foster Grandparents Program, CASA, On Track, Retired & Senior Volunteer Program, Southern Oregon Drug Awareness, and Upper Rogue Community Center.

Law Enforcement - Will provide funding to keep patrol through Fiscal Year 1996-97. An Enhanced Law Enforcement District may be on the ballot in March 1997.

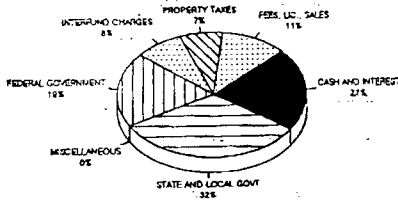
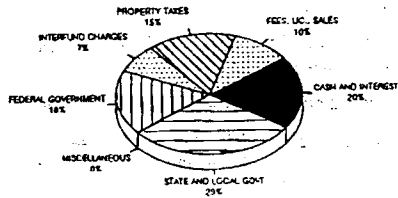
Justice Services - Will restore funding for Jail, District Attorney, Community Corrections, and Juvenile.

General Government - Will restore funding for building maintenance, clerical and technical support, and provide funding for OSU Extension Service, 4-H, Southern Oregon Visitors Association, Southern Oregon Regional Economic Development, and Soil & Water Conservation.

Reserves - Will provide funding for increased costs of services over the life of the levy.

TAXES ON \$100,000 HOME

COMPONENT	CURRENT LEVY Annually	PROPOSED Annually	DIFFERENCE Annually	DIFFERENCE Monthly
Library	\$ 48.98	\$ 63.32	\$ 14.34	\$ 1.19
County Services				
Expo	.00	1.19	1.19	.10
Parks	.00	2.99	2.99	.25
Health & Human Services	.00	11.24	11.24	.94
Grants/Nonprofit Human				
Service Agencies	.00	5.97	5.97	.50
Law Enforcement	.00	7.77	7.77	.65
Justice Services	.00	6.34	6.34	.53
General Government	.00	13.48	13.48	1.12
Reserves	.00	3.58	3.58	.30
TOTAL =	.00	52.57	52.57	4.38
GRAND TOTAL =	\$ 48.98	\$ 115.88	\$ 66.90	\$ 5.58

JACKSON COUNTY REVENUE SOURCES FY 96-97
INCLUDES TAX BASE, CRIMINAL JUSTICE LEVY AND HISTORICAL LEVYJACKSON COUNTY REVENUE SOURCES FY 96-97
INCLUDES ALL PROPOSED PROPERTY TAXES

What is the Rogue Family Center?

The RFC is a collaborative pilot project coordinating state, county and community human services to improve the lives of people in need of help from multiple agencies, under one roof. The goals of this project, the first of its kind in the country, are to reduce the confusion and bureaucratic complexity families experience accessing social and health services; and to assist people in selling and achieving their goals of self-reliance and independence in a supportive environment.

Rogue Family Center Mission

The Rogue Family Center is dedicated to the development of an integrated system to better serve the people; a system that collaborates with the community, schools, human service organizations, county and state, to bring on board existing services to people and bring to share the responsibility for themselves and each other.

To challenge the Old and encourage the New and to change the necessary to make a difference.

Discrimination that not occur against anyone in any part of the Rogue Family Center programs. Benelli decisions, hearings or any program services shall occur without regard to age, race, color, sex, religion, national origin, political belief, mental illness or disability.

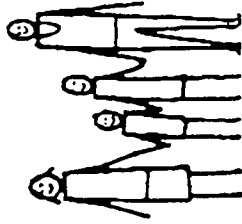


ROGUE FAMILY CENTER

2400 Antelope Road • White City, OR 97503
(503) 830-8226



ROGUE FAMILY CENTER



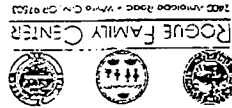
Access, Inc.

Adult and Family Services
Children's Services Division
Employment Division
Drug Volunteer Program
Jackson County Health & Human Services
Public Health Service
Mental Health Department
YMC

Healthy Start

Youthworks
Jackson County Sheriff's Office (CAS)
Jackson County Urban Renewal Agency
Oxnorth, Inc.
School District #9
Vocational Rehabilitation Division

for more information call (503) 830-8226



ROGUE FAMILY CENTER

2400 Antelope Road • White City, OR 97503
(503) 830-8226

AGENCIES SERVICES PROGRAMS

ACCESS INC.

For the first time families participating in a program through the center may be eligible for various emergency services depending on funding. Hearing assistance is available to Upper Rogue residents at the Center in the summer and January. The Food Pantry is open food banks for low income families. (503) 830-7016

Adult and Family Services

The AFS mission is to help families become self-supporting while assisting them in meeting basic needs. Food Stamp, Medical, Cash/ABC, Emergency Assistance, Employment Related Services, and JARS Services are available from AFS. Depending on your income and family size, you may apply for one or more of these services. (Oregon Health Plan applications are available here, or call 1-800-358-9377)

Children's Services Division

CSD provides a variety of services to children and families suffering the effects of abuse, neglect, witness abuse, or serious emotional or behavioral problems. CSD works with families to reduce risk to the safety and well-being of children through direct worker contact, referrals, counseling, and working with the family and other community resources. (503) 830-7011

Department of Human Resources

Volunteer Program

Day Volunteer Program offers transportation to medical appointments for those agency clients. If you need a ride, contact your agency worker. A food program and special fundraising projects are a part of this program. Big brother/big sister also works out of the Day Volunteer Program, matching children with adult caregivers. Many volunteer opportunities, including clerical duties, are available. For more information, contact the Human Resources Department. If you would like to volunteer or be interviewed for these services, call (503) 776-6164 or (503) 830-1228.

Employment Department

The Employment Department promotes employment by helping to develop skills and confidence in clients. The department also supports clients during periods of unemployment. Workers and employers will find a full range of services here. Placement services job

Our problems are too big and too complex. They cannot be solved by one group alone. The community and human service agencies must work together. The future of children and families depends on it!

Information, regulations and labor market information is furnished for those seeking employment. Job order filling and referral of qualified applicants is offered to employers.

Application forms and general information about unemployment insurance is also available. (503) 830-7013

Jackson County Health & Human Services

Public Health Services

This agency offers medical services such as pregnancy testing, prenatal care and referral services to obstetricians, immunizations, well-child check-ups, blood pressure checks, stress management, nutrition assistance, answers to general medical questions, and home visits to pregnant women and mothers with young children. A Registered Nurse and Nurse Practitioner provide these services to low income families and patients receiving Medicaid.

Mental Health

Mental health provides counseling for children and adults in collaboration with trained school personnel. In-school support groups for children, as well as individual counseling, are available. These services serve low income families and persons receiving Medicaid.

WIC

WIC, or Women, Infants and Children, is a health/nutrition program which helps pregnant and breast-feeding women and young children improve their health through nutritional counseling, classes, specially chosen nutrition foods, and referral to health care services.

Healthy Start

Healthy Start is a home visitation program for first birth families. Trained nurses and health educators will provide parents with information on child health and development, and teaching and modeling parenting, and teaching skills. Families will have access to a novelator, parenting classes, and a book while on home visitation.

(503) 830-7012

Youthworks

Youthworks is a non-profit agency serving Jackson County with an exclusive focus on intervention counseling with at-risk adolescents and young adults. The agency extends a variety of programs, including Community Counseling Service, IART (Homeless and Runaway Youth), Crossroads (Alameda School), Adolescent Offender Treatment, and the Ashland Teen Center program. Our mission: No youth is a throw-

away. Youthworks provides counseling, education, shelter, support to youth and families to help them become healthy, self-sufficient members of our community.

Jackson County Sheriff's Office (JCSO)

Jackson County Sheriff's Office sponsors the Neighborhood Watch program, invites referrals to county and government agencies, and is a volunteer training program for their office and provides information on DMV and criminal complaints. Accident report, bicycle regulations and concealed weapon permit applications are also available.

Jackson County Urban Renewal Agency

The mission of the Urban Renewal Agency is to eliminate blighted and in the process, improve the safety and quality of life for those who live, work, own property and visit the White City area. It improves the area's infrastructure and to attract job-producing private investments that will create property values on White City's "Paved Road and Promising Future." (503) 830-7027

Ontrack, Inc.

Ontrack, Inc. is a multi-service headstart program which focuses on chemical dependency. The agency provides on-site assessment and offers individual, group and family counseling to children, youth of the Rogue Family Center. (503) 830-7015

School District # 9

School District # 9 and Rogue Family Center are working closely together offering the Upper Rogue community service for its students, staff, parents and agencies. Their goals to prepare a student to be a self-directed, life-long learner, a productive worker, and a responsible contributing member of society.

Vocational Rehabilitation Division

Through independent living rehab, vocational rehab and program eligibility determination based on the individual's ability to work, Oregonians with disabilities achieve maximum self-reliance and independence. (503) 830-7011

MEMORANDUM

TO: COMMISSIONER SUE KUPILLAS
 FROM: *R. Olsen* RAY OLSEN, JTPA PROGRAM MANAGER
 DATE: JULY 19, 1996
 SUBJECT: YOUR REQUEST REGARDING JOBS-IN-THE-WOODS PROJECT

COMMENTS:

- 1) Training is leading the changing industry, which is barely changed
- 2) Employers unsure why they should hire trainees, rather than continue as is
- 3) US Forest Service and BLM contracting practices VERY slow to change
- 4) Few will be entrepreneurs soon (tough to break in, plus start up costs)
- 5) The Job Council not likely to have program in 1997

	<u>1995</u>	<u>1996</u>
Number Served	13	14
Entered Employment	6 (41%)	N/A
Cost:	\$6,308 per person	\$6,857 per person

RO/tkr
 wdb:jtw.rlo

Jackson County
Assessment of Drug Related Issues
In Public Housing
Drug Elimination Technical Assistance



February 1995

HOUSING AUTHORITY



JACKSON COUNTY, OREGON

***"Developing Strategies for Livable Viable Communities and Enhanced
Lifestyle Quality for All People"***

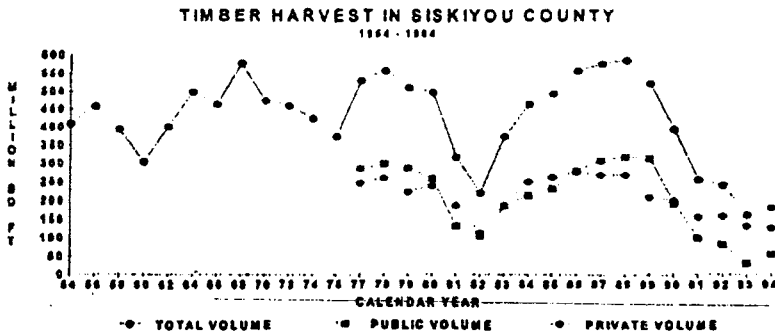
Prepared by:

CC Consulting
704 NE Larch Court
East Wenatchee, WA 98802

(Submitted by Joan Smith)

SISKIYOU COUNTY FACTS & INFORMATION

	<u>People</u>	<u>Cows</u>
Population	46,426	88,000
Area of County (square miles)		6,313
Area of Maryland (square miles)		12,198
Acres in County	2,420,990	Federal lands
	1,609,393	Private lands
	<u>4,942</u>	State/County lands
	4,038,843	
Federal Wilderness Areas	948,269	Acres
Land in Farms	1,153,246	Acres
Annual # of cows grazing on Klamath N.F.	4,894	
Annual Timber Growth	400,000,000 bd ft	Federal
	<u>250,000,000 bd ft</u>	Private
	650,000,000	Board feet
Annual Federal timber cut under President's Plan	60,000,000 bd ft	
	<u>1989</u>	<u>1994</u>
# of timber jobs	1,300	670
Workforce employed in timber	10%	5%
Federal USFS Reciepts to County FY 95/96		\$6,823,959.60



SISKIYOU COUNTY LOGGERS

PHONE #	NAME	# PEOPLE EMPLOYED <u>IN 1989</u>	# PEOPLE EMPLOYED <u>IN 1995</u>
487-3959	G & K Logging	0	2
467-5696	H & G Logging	13	13
496-3443	Mark Thomas	1	1
469-3460	Ross Cornwell	25	2
493-6150	N.W. Skyline	25	5
493-2754	Norman Herman	1	0
493-2652	Kenny McCully	14	7
467-3267	Franklin Logging	125	25
842-0831	John Semple	12	1
493-2622	Harold Smith	37	4
493-2868	High Horse Logging	2	2
465-2335	Chuck L. Logging	30	15
842-5160	Snap Top Logging	0	2
468-2669	Jim Johnson	0	7
926-2456	Accord Logging	55	30
926-2477	Darrah Logging	See Accord	5
842-3178	Chuck Schnepf	5	3
467-5341	Bill Krueger	0	3
468-2336	Bob Evans	1	2
468-2999	Ken Dysert	0	6
468-2949	Bob Smiley	3	3
493-2801	Foster Logging	23	3
938-2227	Edgewood Logging	0	5
468-5410	Duane Kennedy	0	2
842-2252	Ederick Logging	8	17
938-3014	McCarrol Logging	14	2
938-2499	T & Y Logging	33	9
459-5560	Roy Pace	25	9
926-4263	Marvin Slover	6	4
496-3272	Mark Crawford	13	15
842-5560	Walt Moody	0	3
496-3457	Rudy Murieen	3	3
493-2371	Attebury & White	4	0
493-5268	ABC Logging	8	8
926-2790	Cheek Cat Logging	38	30
926-4778	F.W. Porteous Logging	70	3
926-2094	Schwartz Logging	27	0
549-4924	Garry Franklin	85	0
493-5281	Tom White	See Attebury	2
468-5138	Ron Bennett Logging	8	2
926-6087	Richard Porteous	0	2
926-4778	Dave Richardson	12	12
842-6606	LC Logging	30	3
938-3302	John McGary	15	0
926-4010	Mike Brown	40	6

938-4120	Ross Sanders	12	10
964-2773	Frank Wood	15	1
467-3912	Wayne Meek	0	2
493-2028	Vernon Layton	18	8
842-5548	Roden Logging	10	5
493-2875	Walt Whitman	30	2
842-1434	Bill Meadows	0	3
926-2164	Gene Spencer	0	3
468-5560	Vern Boudro	5	2
467-3788	Charles Snapp Jr.	4	0
467-3111	Jay Denny	8	0
468-2463	W.S. Cramer Logging	15	0
496-3129	Ken Oliver	4	2
468-5266	Golden Hoof Logging	10	10
235-4335	Jim McColpin	0	2
842-5813	Joe Roberson	6	0
467-5198	John Owens	3	3
TOTALS		951	331
JOBS LOST 1989-95			620

- Siskiyou County has lost 65% of it's logging jobs since 1989.

This research conducted by Mike Duguay April 12 - 20 1995. All loggers listed were personally contacted by Mr. Duguay. All known public records, as well as word of mouth, were used to account for above list. This information is the most accurate and complete listing possible.

adding significantly to the net growth of the local economy.

Tables 3-48 and 3-49 show recent employment by key industry sectors. Trade, government and services together provide over two-thirds of the current jobs in the 7-county area.

Table 3-48: Seven County Area Short-Term Non-Wood and Salary Employment by Economic Sector (1983 employees)							
	1983	1984	1985	1986	1987	1988	
Agriculture, Forestry and Fisheries	4	4	4	4	4	3	
Mining and Construction	3	3	4	4	4	4	
Manufacturing Lumber and Wood Products	17	17	16	16	16	16	
Other	11	11	11	11	11	11	
Transportation, Communications and Utilities	6	6	6	6	6	6	
Wholesale and Retail Trade	24	24	25	25	25	26	
Finance, Insurance and Real Estate	4	4	4	4	4	4	
Services	20	20	20	20	20	21	
Government	22	22	21	21	21	20	
Total	100	100	100	100	100	100	

Travel and tourism, which include developed and dispersed recreation as well as wildlife-related activities (like hunting, fishing and bird-watching), make up a large and growing part of the area's economy. Tourism-related employment is spread through a variety of economic sectors, including service (meals and lodging), trade (gas and tackle) and transportation. This is not readily tracked in a single economic sector.

Trade, both wholesale and retail, is the number-one job producer in the area. This sector is the heart of the residential sector. Generally, when the economy is healthy, trade and services are expanding. The trade sector also brings in money from outside when travelers buy supplies for recreation on the Forest. Trade and services will grow to meet the needs of

population expansion and increased disposable income.

Government is a large and growing sector of the economy. It accounts for about one-fifth of area jobs. Nearly two-thirds (or about 1 job in 7) of these are local government and education employment. Increased job opportunities are tied to population growth and a desire for improved education.

Service is a major sector. It responds to increased tourism and wildlife-related activities (for example, hunting and fishing), population growth and increased demand for health care and leisure activities.

Table 3-49: Seven County Area Short-Term Non-Wood and Salary Employment by Economic Sector (1989 employees)							
	1983	1984	1985	1986	1987	1988	1989
Agriculture, Forestry and Fisheries	9	8	8	7	6	6	5
Mining and Construction	3	3	3	4	4	4	3
Manufacturing Lumber and Wood Products	10	13	13	13	15	14	12
Other	8	11	11	11	12	12	10
Transportation, Communications and Utilities	2	2	2	2	3	2	2
Wholesale and Retail Trade	21	22	22	22	22	22	20
Finance, Insurance and Real Estate	3	3	3	3	3	3	3
Services	17	18	18	16	16	16	18
Government	30	28	28	28	28	29	34
Total	100	100	100	100	100	100	100

The area-wide trends are fairly constant and consistent with the 50 year trends. State employment department economists expect employment growth to show continuing expansion of services-producing industries and contracting of goods-producing industries.

Timber industry jobs are expected to decrease for a variety of reasons. Some reasons include increased mechanization in harvest and production processes and reduced outputs on public and private lands. While other manufacturing employment is projected to in-

1777 1/10

Slaklyou County
Produced by Bureau of Census

4/19/95

Current Labor Force and Industry Employment

	March 1994 Benchmark: Data Not Adjusted for Seasonality	MAR 94	JAN 95	FEB 95 Revised	MAR 95 Preliminary	Percent Change: Month Year
	Civilian Labor Force (see note 1)	19,840	19,780	19,780	19,810	-0.9% -1.2%
	Civilian Employment	16,810	16,340	16,470	16,670	1.2% 0.4%
	Civilian Unemployment	3,230	3,450	3,310	2,940	-11.2% -9.0%
	Civilian Unemployment Rate	16.3%	17.4%	16.7%	14.8%	
	(California Unemployment Rate)	8.6%	8.7%	8.1%	7.8%	
	(U.S. Unemployment Rate)	7.2%	6.2%	6.9%	6.9%	
	Total, All Industries (see note 2)	13,430	13,360	13,520	13,750	1.7% 2.4%
8%	Total Farm	1,010	720	810	930	14.8% -7.9%
	Farm Production	560	450	440	540	22.7% -1.8%
	Farm Services	480	270	370	390	5.4% -15.2%
	Total Nonfarm	12,420	12,640	12,710	12,820	0.9% 3.2%
	Goods Producing	1,580	1,680	1,880	1,890	0.6% 8.3%
3%	Construction & Mining	420	410	400	420	5.0% 0.0%
9%	Manufacturing	1,140	1,270	1,280	1,270	-0.8% 11.4%
6%	Durable Goods	970	1,100	1,110	1,100	-0.9% 13.4%
	% Lumber & Wood Products	170	170	170	170	0.0% 0.0%
	Logging	180	180	190	180	-5.3% 12.5%
	Sawmills	230	230	230	230	0.0% 0.0%
4%	% Other Lumber & Wood Prods.	280	320	320	320	0.0% 14.3%
	Other Durable Goods	300	370	370	370	0.0% 23.3%
	Nondurable Goods	170	170	170	170	0.0% 0.0%
	Food & Kindred Products	90	90	90	90	0.0% 0.0%
	Other Nondurable Goods	80	80	80	80	0.0% 0.0%
	Service Producing	10,860	10,960	11,030	11,130	0.9% 2.5%
5%	Transportation & Public Utilities	810	740	780	780	2.6% 27.9%
	Transportation	350	490	610	630	3.9% 51.4%
	Communications & Public Util.	260	250	250	250	0.0% -3.8%
24%	Trade	3,160	3,180	3,170	3,180	-0.3% 0.0%
	Wholesale Trade	390	400	410	420	2.4% 7.7%
	Retail Trade	2,770	2,780	2,760	2,740	-0.7% -1.1%
	Food Stores	530	570	550	540	-1.8% 1.9%
	Eating & Drinking Places	1,170	1,120	1,150	1,120	-2.6% -4.3%
	Other Retail Trade	1,070	1,070	1,060	1,080	1.9% 0.0%
3%	Finance, Insurance & Real Estate	460	480	490	490	0.0% 6.5%
22%	Services	2,870	2,960	2,900	2,900	2.1% -0.3%
	Hotels & Other Lodging Places	280	270	260	260	0.0% 0.0%
	Health Services	1,260	1,260	1,230	1,250	1.6% -0.8%
	Other Services	1,450	1,430	1,410	1,450	2.8% 0.0%
27%	Government	3,680	3,620	3,710	3,740	0.8% 2.2%
	Federal Government	710	660	670	690	3.0% -2.8%
	State & Local Government	2,950	2,960	3,040	3,050	0.3% 3.4%
	State Government	380	380	380	370	-2.6% -2.6%
	Local Government	2,570	2,580	2,660	2,680	0.8% 4.3%

58% of
Manufacturing
is Lumber
Products

Note 1: Labor force data is by place of residence; includes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike. The federal government began using a new method for calculating employment statistics in January 1994. Because of the change, labor force data for 1994 are not comparable with prior historical data.

Note 2: Industry employment by place of work excludes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.

This information is produced by the Labor Market Information Division of the California State Employment Development Department (EDD). Questions on its content should be directed to Kathy Porter at (916) 225-2662, or Linda Rodgers at (916) 683-4458.

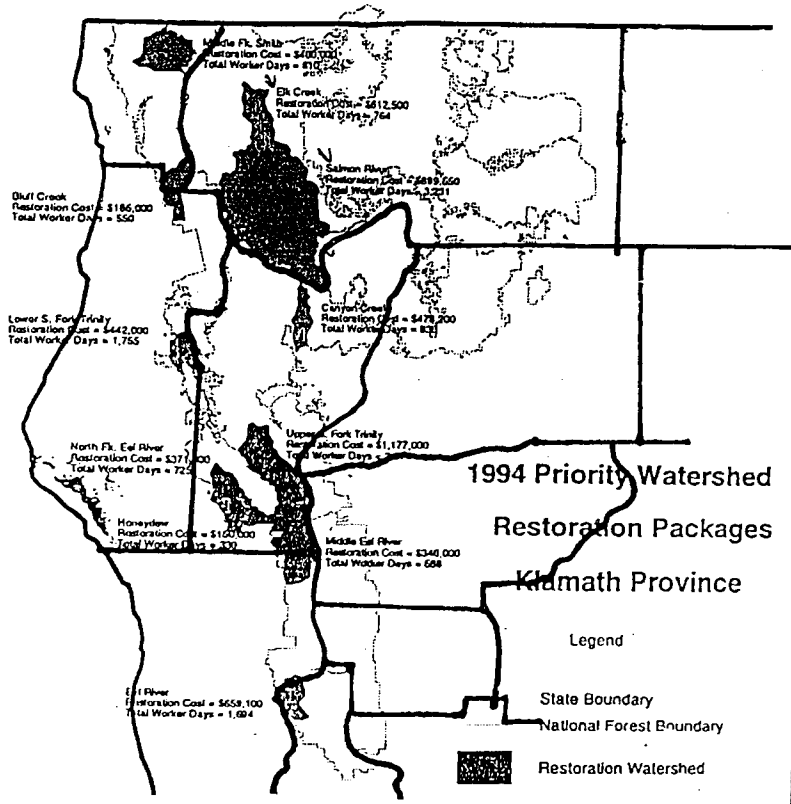
The data contained herein are available electronically through the Labor Market Information Division's LMI On-line bulletin board. For instructions on accessing

This is done
by sampling
includes covered
employment

		City/Dept	City
		Phone #	Phone #
		Fax #	Fax #
		467-3908	225-25162
			241-4463
		Siskiyou County Labor Force and Industry Employment	
		HWSSlakt.XLS	
		March 1984 Benchmark	
		MAR 89	
		Title	
		Civilian Labor Force	
		Civilian Employment	
		Civilian Unemployment	
		Civilian Unemployment Rate	
		Total, All Industries	
		Total Farm	
		Farm Production	
		Farm Services	
		Total Nonfarm	
		Goods Producing	
		Construction & Mining	
		Manufacturing	
		Durable Goods	
		Lumber & Wood Products	
		Logging	
		Sawmills	
		Other Lumber & Wood Products	
		Other Durable Goods	
		Nondurable Goods	
		Food & Kindred Products	
		Other Nondurable Goods	
		Other Manufacturing	
		Service Producing	
		Transportation & Public Utilities	
		Transportation	
		Communications & Public Util.	
		Trade	
		Wholesale Trade	
		Retail Trade	
		Food Stores	
		Eating & Drinking Places	
		Other Retail Trade	
		Finance, Insurance & Real Estate	
		Services	
		Hotels & Other Lodging Places	
		Health Services	
		Other Services	
		Government	
		Federal Government	
		State & Local Government	
		State Government	
		Local Government	

79% of Manufacturing is Lumber & Wood Prod

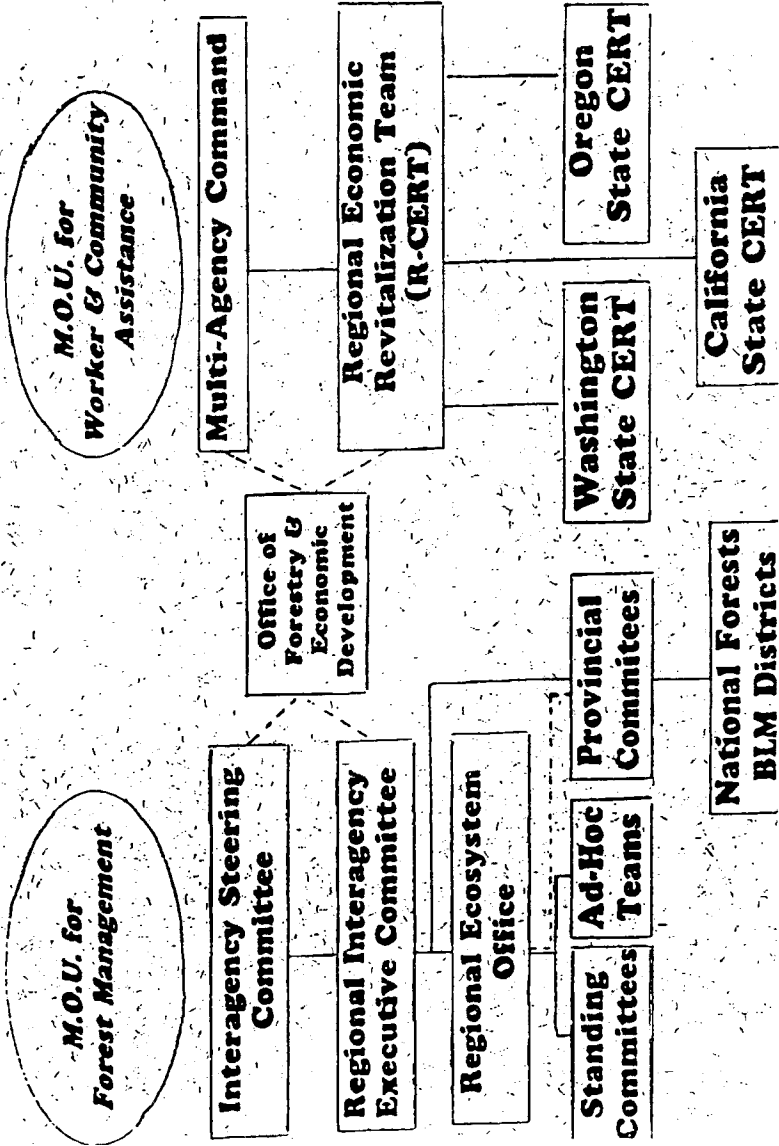
Margaret Stewart 262-26
Labor Market Information Div
Current Employment Statistics



"Jobs in the Woods":

The interagency Watershed Restoration Strategy of Fiscal Year 1994 was adopted to guide an interagency process for selecting and developing watershed restoration projects within the range of the northern spotted owl. One objective of the strategy was to "provide needed employment for local communities." Referred to as "Jobs in the Woods," the program was instituted to offset the loss of timber jobs resulting from timber harvest reductions due to measures taken to protect the northern spotted owl. Special Forest Service restoration funds (CNWR) were provided to Forests to pay for watershed restoration projects and also generate "jobs in the woods." During FY 1994, the Klamath National Forest expended approximately \$800,000 of CNWR funds on watershed restoration projects, that directly resulted in estimated 2,276 person days of work. Forest

COOPERATION STRUCTURE



GAO

United States General Accounting Office

Briefing Report to Congressional
Requesters

December 1993

DISLOCATED WORKERS

A Look Back at the Redwood Employment Training Programs



**Social and Economic Challenges Facing Counties Impacted by Reduced
Wood Production on Federal Lands in the Spotted Owl Region**

TESTIMONY

Prepared for a Hearing of the
Subcommittee on National Parks, Forests, and Forest Lands of the
U.S. House of Representatives Committee on Resources

Prepared by Robert G. Lee, Ph.D.
Professor of Forest Resources
University of Washington
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Seattle, Washington 98195-2100
(206) 685-0879
Email: boblee@u.washington.edu

Submitted July 19, 1996
Presented July 23, 1996

**Social and Economic Challenges Facing Counties Impacted by Reduced Wood Production
on Federal Lands in the Spotted Owl Region**

Submitted by
Professor Robert G. Lee

INTRODUCTION

My name is Robert G. Lee. I currently serve as Professor of Forest Resources at the University of Washington. I specialize in the application of sociology to problems of natural resources protection and management. I have worked for the U.S. Forest Service, U.S. National Park Service, and Rockport Redwood Company, and for over 13 years cooperated with the U.S. Man and the Biosphere Program to promote and enhance biosphere reserves and demonstration areas for sustainable development. I have been on the faculty at the University of Washington for 18 years and served as Chair for the Division of Forest Resources Management and currently serve as Associate Dean for Academic Affairs for the College of Forest Resources. My comments today reflect my professional opinion and do not represent the College of Forest Resources, University of Washington, or any other persons or institutions.

My testimony will summarize results of a study describing some of the social and economic challenges facing counties affected by reductions in wood production on federal lands in the spotted owl region. Details on this study, including maps and description of data sources and methods, are available in a report published last year (Lee, 1995). This study was completed in the summer of 1995 to describe 1988-92 changes in population, jobs, and income for the 72 spotted owl region counties. Appropriate data for years after 1992 were not yet available when data analysis was completed. Despite the lack of data for the last three years, the five-year 1988-92 series provides useful information for tracking the immediate social and economic effects of reduced federal wood supply resulting from federal court injunctions and the President's forest plan. Subsequent effects of reduced federal wood supply are also substantial, but are not reflected in the information I will present.

The primary purpose of this study was to show the geographic distribution of social and economic challenges resulting from reduction in federal wood supply. Focus of attention on economic activity at the state level has obscured the differential impacts occurring at the county level. Some have concluded that the economic well-being of the Pacific Northwest has been unaffected, or even positively affected, by reductions in federal wood supply (Power, 1995). Aggregate data summarized at the state level cloud the differential effects of growing rural unemployment, social problems, poverty, and political alienation taking place at the community and county level. The county-level data summarized in this testimony also suffer from the same defect, and obscure the differential impacts on communities, families, and individuals within counties. However, counties are the smallest subdivision available in most archival records of economic activity.

Study Questions

My testimony will present answers to six questions:

1. How were wood products employment and earnings affected by the decline in the sale and harvesting of federal wood between 1988 and 1992?
2. Have counties reliant on federal wood supplies faced a greater challenge in revitalizing their local economies?
3. Has reduction in wood supply required by the President's forest plan affected the ability of counties to meet these challenges?
4. Can recreation and tourism help counties meet these challenges?
5. Would secondary manufacturing help counties meet these challenges?
6. Would allocation of future federal wood supplies to small businesses help counties meet these challenges?

Limitations of Study

There are two major weaknesses to this report: (1) lack of reliable, comparative information on the economic and social dynamics of local communities, and (2) lack of comparable data on county economies after 1992. Substantial changes in local economies, community structures, families, and individuals are overlooked by focusing on county-level information. Wood products workers have been losing jobs, income, and social status, while other people have been gaining. Major changes involving the redistribution of social standing, jobs, income, and economic opportunity are not visible when the average conditions of a county are examined. These redistribution effects remain the most important, and under-studied, consequences of the decisions to suddenly withhold federal wood supplies.

By 1992 counties had already exhibited the sudden economic changes described in this report. But, when this study was conducted, economic data series were not available to describe the additional changes that have taken place over the ensuing three years. Anecdotal reports from counties indicate that many counties and communities are only now experiencing the full impacts of the 1990 decisions to reduce federal wood supplies as the last stocks of volume under contract are exhausted. As a result, some counties that are not identified in this report as highly challenged by the need for economic revitalization may now face such challenges.

Reliance on Federal Wood Supplies

An alternative to metropolitan/non-metropolitan classification for counties was developed for making more discriminating judgments about population density, the importance of the forest products industry to the local economy, and reliance on federal wood supplies. This means for classifying counties resulted in a clearer picture of the importance of the wood products industry to the economic base of counties such as Lane County, Oregon, which would otherwise be classified as metropolitan. The 72 counties in the owl region were assigned to one of the four following types:

(1) **Densely-populated counties.** Defined as the 19 counties in the owl region in which population density was equal to or greater than 100 persons per square mile at the 1990 census.

(2) **Wood products dominant counties.** Defined as the 30 counties in which wood products employment exceeds seven percent of total county employment. The wood products industries are reported to support many more jobs than are shown by direct employment because of indirect employment multiplier effects. Seven percent was selected as the cut-off point based on a recent analysis of the wood products industry in Washington State in which a forest industry multiplier of 3.67 was reported. Based on this multiplier, seven percent of direct employment in wood products in a county would indirectly support over 25 percent of the county's total employment. None of the 30 counties that fell into this category were densely populated, as defined above. Half of these counties were found to rely heavily on federal timber (see below) and placed in a different category for analysis purposes.

(3) **Federal wood-reliant counties.** A subset of the wood products dominant counties was created based upon the 1992 Mason, Bruce, and Girard survey of wood sources for mills. The 15 wood products dominant counties whose mills sourced more than 25 percent of their wood from federal lands were classified as federal wood-reliant counties.

(4) **Low population density counties.** There were 23 counties in the owl region whose population density was less than 99 persons per square mile in the 1990 census and were neither forest products dominant or reliant on federal timber.

QUESTION 1

How were wood products employment and earnings affected by the decline in the sale and harvesting of federal wood between 1988 and 1992?

Table 1 (attached) summarizes results from an analysis by Wilbur Maki and Associates showing changes in total employment (both full time and part-time for wage earners and the self-employed) and earnings (including benefits) for the 72 counties in the owl region from 1988 to 1992. There was a loss of almost 30 thousand wood products jobs and \$278.5 million in wood products earnings from wages, associated benefits, and self-employment. This represents a loss of 20 percent of total wood products employment. The 5.2 percent loss of wood products earnings during a period in which the cost of living increased 18 percent translates into an effective total earnings loss of over 23 percent. These declines in wood products employment and earnings contrast with a 12 percent gain in total employment and a 32 percent gain in total employment earnings for the same five-year period in the 72 county region.

There is no convenient way of linking the decline in federal timber sales and harvesting to employment and earnings. However, Table 1 shows that losses in wood products employment and earnings were proportionally greatest in the 15 rural federal wood-reliant counties, with a loss of 25.3 percent of wood products jobs and an effective 41 percent loss of wood products employment earnings. Moreover, along with wood products dominant counties, rural federal wood-reliant counties exhibited the lowest rates of growth in total employment and employment earnings during this period.

QUESTION 2

Have counties reliant on federal wood supplies faced a greater challenge in revitalizing their local economies?

Annual population estimates from 1988 and 1992 provided by Wilbur Maki and Associates show that none of the 72 owl region counties lost population during this period. All but four (Skamania, Wa., Douglas and Lake, Ore., and Glenn, Cal.) of the 72 counties in the owl region experienced employment growth from 1988 to 1992. However, this apparent robustness of county economies clouds a significant decline in average county employment earnings (as well as yet unmeasured employment and earnings losses for individuals, families, and communities that had relied on wood products employment). Counties with employment growth, but a decline in average wage and salary earnings, illustrated that family wage jobs in the wood products industry are being replaced by sub-family wage jobs in the service sector. As a result, many counties are faced with the challenge of revitalizing local economies to reduce economic deprivation and its associated social costs.

To complicate this challenge, the industries providing new jobs generally have much lower employment multipliers and average earnings per job than the wood products manufacturing industries that are lost. The Washington State Input-Output 1987 Study prepared for the Office of Financial Management in 1993 estimated employment multipliers for logging and sawmilling (excluding management overhead and associated services internal to a company) of 5.8 and 4.2, respectively. Corresponding multipliers for service industries were all substantially lower: retail trade-1.9, finance, insurance and real estate-2.5, business services-1.7, and health services-2.0.

In 1988, earnings (including benefits) from wood products jobs averaged about \$30,000 (See Table 1). Table 2 shows growth in jobs, average earnings per job, and percent average earnings growth by selected economic sector and county type from 1988 to 1992. Table 2 shows that health and social services was the economic sector in which most jobs were created during this period, with an overall growth rate of 25 percent and average earnings growth of 11 percent. Producer services (services that provide inputs to service or manufacturing industries) and retail services ranked second and third, respectively, with 23 percent and 18 percent. State and local government ranked fourth with 15 percent. However, producer services exhibited a decline in overall average earnings growth of five percent. Wood-producing counties exhibited negative average earnings growth for four of the five industries in which job growth was greatest.

The counties most reliant on federal wood supplies have experienced the lowest rate of growth in both number of jobs and in average earnings per job (See Table 2). Job growth has occurred in consumer service industries with the lowest employment multipliers and lowest average earnings per job. Forest products dominant counties, when compared to those reliant on federal wood supplies, are similar to other rural counties in showing greater rates of growth in producer services and lower rates in health and social services and retail services. These estimates suggest that counties most reliant on federal wood supplies face the toughest challenges in revitalizing their economies.

An index was developed to rate the challenge of economic revitalization facing counties impacted by loss of wood products employment and earnings. Four categories were developed by adapting and modifying the Oregon State Economic Development Department's "Distressed Area Analysis" rating system developed for communities:

- (1) **High challenge.** Counties with (a) loss of wood products employment between 1988 and 1992 that was equal to or greater than four percent of the total county employment, (b) which had not added back at least two non-wood products jobs for every job lost in the wood products industry, and (c) which had experienced a loss of average employment earnings in the same period (average earnings growth was less than the 18 percent cost of living increase during this five-year interval).
- (2) **Moderate challenge.** Counties with (a) loss of wood products employment between 1988 and 1992 that was equal to or greater than four percent of the total county employment, and (b) which had not added back at least two non-wood products jobs for every job lost in the wood products industry.
- (3) **Low challenge.** Counties with (a) loss of wood products employment between 1988 and 1992 that was two percent or greater but less than four percent of the total county employment, (b) which had not added back at least two non-wood products jobs for every job lost in the wood products industry, and (c) which had experienced a loss of average employment earnings in the same period (average earnings growth was less than the 18 percent cost of living increase during this five-year interval).
- (4) **No challenge.** Counties with loss of wood products employment between 1988 and 1992 that was less than two percent of the total county employment.

Table 3 summarizes the relationship between the challenge of economic revitalization and reliance on the wood products industry. Six of the eight highly or moderately challenged counties were classified as relying most heavily on federal wood supplies. Nine of the 15 counties facing a low to high economic challenge were also typed as federally reliant. None of the densely populated or low density, non-wood products rural counties face economic challenges related to decline in the wood products industry (although there may be other causes for loss of income or jobs). Counties facing the greatest challenges in revitalizing their economies are concentrated in southwest Oregon where reliance on federal wood supplies has been greatest. Similarly, counties most challenged in Washington State are those that have been most reliant on federal wood supplies, especially Skamania and Klickitat. Identifiable economic challenges associated with decline of the wood products industry in California are limited to Plumas County.

Challenges faced by local communities within counties were overlooked by this rating system, since it focused on the aggregate economic conditions of counties. Of particular concern are highly challenged communities in counties where aggregate data show a very low challenge of economic revitalization. The Oregon State Economic Development Department has developed a trial method for rating communities as "Distressed Areas" (see above), but gathering employment data by Zip Codes does not provide reliable sources of community-level data for communities in the three-state region.

There are several examples of counties where county-level information masks substantial challenges of economic revitalization at the local level. Some of the most noteworthy cases of communities facing high challenges are Forks in Clallam County, Washington, and Aberdeen/Hoquiam in Grays Harbor, Washington. Both have shown signs of severe social and economic dislocation following the withdrawal of federal wood supplies. A notable case in Oregon are the small wood-producing towns along the North Fork of the Santiam River in Marion County. Social and economic conditions in these communities are even more challenging than most in neighboring and highly challenged Linn County. In northern California, Hayfork and other small counties in Trinity County illustrate how local conditions can be far more severe than indicated by county averages.

QUESTION 3

Has reduction in wood supply required by the President's forest plan affected the ability of counties to meet these challenges?

This study analyzed the likely employment effects of implementing the President's forest plan for the owl region. Sale of wood scheduled under the plan was compared with the annual harvest from federal lands in 1992-93. Results suggest that implementation of the President's plan will reduce federal sales in the owl region by 616.9 million board feet, translating into an additional loss of 5,660 jobs. However, 1994 sales of federal wood were well below levels scheduled by the President's plan and totaled only 140 million board feet. Projected sales for 1995 were even lower. These losses will further detract from efforts to revitalize counties facing economic challenges caused by the loss of wood products jobs and earnings.

Six counties (Linn, Douglas, Curry, and Lane Counties, Oregon and Skamania and Lewis Counties, Washington) would lose two percent or more of their total employment base under the President's plan. All but one of these counties (Lewis) already face a high to moderate economic challenge in revitalizing their economies. Skamania County would lose over 20 percent of its total employment base, and Linn and Douglas would lose 5.1 and 4.4 percent, respectively. The remaining counties would lose a little more than two percent.

Further reductions in federal timber harvests are not the only causes for erosion of the economic base in wood-producing counties. Additional losses of employment and employment earnings from implementation of the President's plan will most likely be less than losses originating in reductions of harvest on state, private industrial, and small non-industrial private lands. Harvesting of state lands in Washington State has been reduced by almost two-thirds since 1992 by habitat management planning and other environmental concerns. Private industrial owners have reduced harvesting during this same period as required by implementation of habitat conservation plans and other state and federal environmental laws and regulations. Harvesting opportunities for non-industrial private owners have also been reduced by these same environmental laws and regulations, and may decline in the future as readily available supplies are exhausted by rapid harvesting on lands where opportunities currently exist.

QUESTION 4

Could recreation and tourism growth help counties meet these challenges?

Tourism employment is often recommended as a substitute for declining wood products employment. To assess the economic potential for tourism in counties faced with economic challenges, SIC code 80, Hotels and Other Lodging Places, was selected as the indicator for tourism growth. Previous tourism studies have relied on this industrial group as a reliable criterion for detecting tourism activity (Smith, 1989). Other industrial groups, especially SIC code 58, have been avoided because other factors (e.g., changing lifestyles) are thought to have caused rapid growth in eating establishments and employment.

The county-level employment and employment earnings data provided by Wilbur Maki Associates was used to classify counties on the basis of growth and decline in employment in hotels and lodging places from 1988-1992. Four categories were created: (1) employment decline of 10 percent or more, (2) nine percent employment decline to nine

percent employment growth, (3) employment growth of 10 percent or more, and (4) employment growth of 10 percent or more that replaced lost wood producing jobs. The range of nine percent decline to nine percent growth was used because activity in this industry tends to fluctuate with economic cycles, and 10 percent growth or decline was thought to represent changes more enduring than a temporary fluctuation.

There was tourism growth in only one (Plumas County, California) of the 15 counties facing the challenge of economic revitalization. Ten of the 15 challenged counties exhibited tourism employment decline of 10 percent or more. Counties with declining tourism employment were concentrated in southwest Oregon, coastal Washington, and south central Washington. While Skamania County, Washington, showed decline in tourism employment for the years in which data were available (up to 1992), the opening of Skamania Lodge in 1993 will likely result in its reclassification as a tourism growth county.

Tourism growth appears to be located in counties with significant natural amenities (e.g., Skamania County, Washington and Hood River County, Oregon), new destination resorts (e.g., Jefferson and Tillamook Counties, Oregon), or urban areas with growing reputations as tourist attractions (e.g., Portland and Seattle).

County economies are not necessarily improved by growth of tourism industries. Work in tourism establishments is generally seasonal, unstable, low-paying, lacking in benefits, and low-skilled (Smith, 1989). It does little to train people for advancement in careers and is generally limited to secondary employment for spouses or primary employment for individuals (especially single women) living in poverty. As such, it is a very poor substitute for the family-wage industrial jobs lost with decline in the wood-producing industries.

QUESTION 5

Would secondary manufacturing help counties meet these challenges?

Secondary (value-added) wood-products manufacturing is widely recommended as a means for creating employment in counties facing the challenge of declining employment and employment earnings in logging and primary manufacturing. County Business Pattern data for 1991 were compiled by Dr. Paul Polzin to assess the potential for jobs in secondary manufacturing to substitute for jobs in primary manufacturing. Although some disclosure problems may result in an underestimate in rural counties, counts of establishments by county can be used to describe the geographic distribution of secondary manufacturing in the 72-county owl region.

Counties were classified into five groups based on the percent of the regional total of secondary manufacturing establishments located in a county: (1) less than 1 percent, (2) 1 to 1.9 percent, (3) 2 to 2.9 percent, (4) 3-3.9 percent, and (5) 4 percent or greater. This scheme for classifying counties is a measure of their relative contribution to total secondary manufacturing activity in the region.

In all three states, the vast majority of the secondary manufacturing establishments are situated in urban, high population density counties. Previous studies have shown similar results and concluded that rural, resource-producing counties are not the best locations for most secondary manufacturing industries (Polzin, 1994). Value-added manufacturing seems to do best when located close to markets, material supply streams, and transportation nodes. Some activities, such as millwork, doors, veneer, and other

secondary manufacturing are often located close to material sources and have the potential for future growth if wood supplies are available.

Comparison of counties in Washington and California shows that there is very little secondary manufacturing in counties facing the challenge of economic revitalization. In Oregon, there is a moderate amount of secondary manufacturing in counties facing the challenge of revitalization. Seven of the eight economically challenged Oregon counties have one percent or more of the total regional secondary manufacturing establishments. Two Oregon counties (Lane and Jackson) each have three percent or more of the regional total.

Table 4 shows the distribution of primary and secondary manufacturing establishments by type of county. Counties with high population densities have 61 percent of the secondary manufacturing establishments in the region, but only 33 percent of all wood products manufacturing establishments. Counties relying on federal lands for wood supply have only 12 percent of the secondary manufacturing establishments, but 25 percent of all logging establishments. Hence, there appears to be limited potential for secondary manufacturing employment to substitute for loss of logging and sawmilling jobs in counties facing the greatest challenges of economic revitalization.

QUESTION 6

Would allocation of future federal timber harvests to small businesses help counties meet these challenges?

The limited opportunities for tourism and secondary manufacturing to substitute for loss of wood products employment and employment earnings leave primary wood products manufacturing as the most promising economic sector for strengthening the economic base of wood-dominant rural counties. Economic development policies that promote small businesses may offer the most promising way for promoting a sustainable wood products economy in local communities.

As compared to larger corporate businesses, small, family-owned, businesses are more likely to stimulate the local economy because they tend to buy a higher proportion of their supplies and services from local suppliers and invest profits in local businesses. Small business is also linked to social conditions that are most conducive to community-initiated economic development. Sociological studies in agriculture have shown that local communities are far healthier and better integrated when family farming rather than corporate farming dominates the local economy (Goldschmidt, 1947). Communities based on family farming exhibit greater involvement of citizens in self-governance, more active churches and community clubs, better environment and activities for young people, and lower rates of anti-social behavior. Banks report a higher proportion of savings are invested locally when communities are based on small businesses rather than large externally-owned businesses.

Moreover, small mills have been most important to the local economy of counties most heavily reliant on federal wood supplies. Table 5 shows that about 53 percent of anticipated 1993 federal log consumption by small mills was in the 15 counties most heavily reliant on federal wood supplies, while only 41 percent of the federal log consumption by large mills was situated in these counties. As a consequence, small mills have been disproportionately impacted by the sudden reduction in federal timber sales, and those counties most reliant on federal wood supplies are now most challenged to replace the family-wage jobs provided by these small mills.

In addition, a recent study by the author has shown that annual employment stability is greater in smaller wood products establishments than in large establishments (Lee and Jennings-Eckert, 1995). This finding is important for identifying ways counties can meet economic challenges, since large businesses are more likely to have larger and less stable establishments. Figures 1 and 2 show annual employment stability by establishment size (as measured by calculating the standard deviation as a percent of the mean) for logging and sawmilling in Oregon and Washington from 1964 to 1991. Results show that wood products employment for all establishment sizes is more stable than all manufacturing taken together, suggesting that at least at the scale of the states, the wood products industry is a relatively stable source of employment when compared with other manufacturing industries. But most noteworthy for this report, wood products employment in small establishments is over four times as stable as wood products employment in large establishments. Moreover, wood products employment in large establishments is far less stable than employment in all other manufacturing.

Examination of the stability of establishments in addition to employment stability is informative because it shows that there is less annual variation in small wood products establishments than in large wood products establishments (See Figures 3 and 4). Hence, the number of smaller places of work in the wood products industry is far less likely to vary from year to year than the number of large places of work. Even more so than with employment stability, total wood products establishments are far more stable than all manufacturing establishments taken together. Relative stability of both employment and establishments for small wood products establishments make them appear to be highly attractive industries for communities facing the challenge of economic revitalization.

It is important to note that employment and establishment stability was measured at the scale of the states, and that these same patterns may not hold when establishments are examined on a spatial scale as small as counties. Regardless of these limitations, results imply that a more stable economic base for states or regions can be established by encouraging the development of smaller establishments.

SUMMARY AND CONCLUSIONS

This study has shown that counties have been differentially affected by the reduction in wood production on federal lands in the region providing habitat for the northern spotted owl and associated species. Variation among counties makes it difficult to generalize about the region as a whole, and necessitates examination of differential effects among counties and communities within counties. By examining differences between counties, this study has revealed that counties vary in the extent to which they are challenged to revitalize local economies which have lost wood products employment and employment earnings.

The most important findings are: (1) counties most reliant on federal wood supplies are generally the most challenged by the need for economic revitalization, (2) tourism is unlikely to be of much help to most of the counties facing economic challenges, (3) secondary manufacturing may help some of these challenged counties, but will mainly be concentrated near urban centers where transportation nodes and markets are accessible, and (4) small wood products businesses engaged in primary manufacturing provide the best opportunities for challenged counties to develop a stable and sustainable economic base.

Given the promise of small businesses for revitalizing rural economies, the federal government might consider developing policies that would provide a predictable source of wood supply for small wood products businesses in rural counties. Such a wood allocation policy appears to be a viable means for promoting sustainable rural development in counties that would otherwise be likely to continue suffering from economic marginalization, poverty, and political alienation.

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Table 1- Changes in Wood Products Employment and Earnings by Type of County, 1988-1992

	19 Density Populated Counties (1)	15 Rural Wood- Producing Counties (2)	15 Rural Federal Wood-Producing Counties (3)	23 Other Rural Counties, with Low Density Population	All Counties
Total Jobs, 1988	3,720,839	484,421	300,256	603,609	5,089,179
Total Wood Products Jobs, 1988	59,775	52,366	48,081	19,178	179,400
Wood Products Jobs as percent of Total	1.6%	11.3%	16.0%	3.2%	3.5%
Earnings per Wood Products Job	\$31,494	\$31,703	\$25,623	\$31,132	\$29,942
Change in Wood Products Employment, 1988-92	-6,844	-11,487	-12,151	813	-29,669
Percent Change in Wood Products Employment, 1988-92	-11.4%	-21.9%	-25.3%	4.2%	-20.0%
Change in Wood Prod. Emp. as percent of Total 1988 Emp.	-0.2%	-2.5%	-4.1%	0.1%	-0.6%
Wood Products Earnings, 1988	\$1,882,555,000	\$1,680,143,000	\$1,231,976,000	\$597,050,000	\$5,371,724,000
Change in Wood Products Earnings, 1988-92	\$107,365,000	(\$218,844,000)	(\$280,441,000)	\$111,424,000	(\$278,496,000)
Percent Change in Wood Products Earnings, 1988-92	5.7%	-13.1%	-22.8%	18.7%	-5.2%
Total Employment Change, 1988-92	448,167	43,710	19,871	75,066	586,814
Percent Change in Total Employment, 1988-92	12%	9%	6%	13%	12%
Change in Total Employment Earnings, 1988-92	\$28,164,305,000	\$1,985,505,000	\$1,328,422,000	\$3,537,901,000	\$35,016,133,000
Percent Change in Total Employment Earnings, 1988-92	33%	21%	22%	31%	32%
Percent Change in Average Earnings/Job, 1988-92	19%	11%	15%	16%	18%

(1) Defined as counties in which the population density is greater than 100 persons per square mile (1990 Census)

(2) Defined as counties in which wood products employment exceeds 7% of total county employment

(3) Defined as wood products dominant counties whose mills source more than 25% of their supply from federal lands

Table 2. Job Growth in Owl Region, by Type of County, 1988-1992

Type of County	Net Employment Growth	Top Five Growth Sectors	Jobs Created	Percent of Net Growth (1)	Average Earnings per Job 1992	Percent Average Earnings Growth (2)
Densely Populated	448,167 jobs 12% growth	1) Producer Services 2) Health & Social Services 3) Retail Services 4) State & Local Govt. 5) Distributive Services	115,525 99,060 65,681 62,215 48,976	26% 22 15 14 1	\$ 23,917 30,927 16,706 30,228 35,897	(5)% 16 7 2 (6)
Wood-Producing	43,710 jobs 9% growth	1) Health & Social Services 2) Retail Services 3) Producer Services 4) State and Local Govt. 5) Construction	19,923 11,510 8,194 7,757 5,282	30% 26 19 18 12	\$ 22,596 14,466 17,646 25,687 27,737	(5)% (11) 0 (7) (4)
Federal Wood-Producing	19,871 jobs 6% growth	1) Health & Social Services 2) Retail Services 3) Manufacturing 4) State and Local Govt. 5) Construction	11,378 6,506 4,913 3,510 2,333	57% 33 25 18 12	\$ 22,650 14,583 27,464 24,304 24,809	7% 16 1 (1) 3
Other Rural Counties	75,066 jobs 13% growth	1) Health & Social Services 2) Retail Services 3) State & Local Govt. 4) Producer Services 5) Distributive Services	21,411 20,465 13,536 11,990 6,294	29% 27 18 16 8	\$ 23,289 15,086 26,821 18,530 28,081	3% 13 2 (8) (5)
All Counties	586,814 jobs 12% growth	1) Health & Social Services 2) Producer Services 3) Retail Services 4) State & Local Govt. 5) Distributive Services	144,773 137,880 104,162 87,018 59,774	25% 23 18 15 10	\$ 26,026 22,896 16,137 29,079 34,405	11% (5) 8 2 (7)

(1) Sum of percentage growth of sectors with net job increases exceeds 100% to account for net job losses in other employment sectors.

(2) 18% inflation from 1988 to 1992 was subtracted from the percentage increase in average earnings to estimate the true value of changes in earnings.

Table 3. Challenge of Economic Revitalization and County Type, in Number of Counties

Economic Challenge	Densely Populated	Wood-Products Dominant	Federal Wood-Reliant	Low Density Rural	TOTAL
None	19	9	6	23	57
Low	0	4	3	0	7
Moderate	0	1	2	0	3
High	0	1	4	0	5
TOTAL	19	15	15	23	72

Table 4. Number of Primary and Secondary Wood-Producing Establishments
by Industry Group and Type of County, Owl Region, 1991.

Industry Group	Densely Populated Number %		Wood- Dominant Number %		Fed. Wood- Reliant Number %		Low Density Number %		Total Number %	
Logging	376	16%	918	39%	600	25%	462	20%	2,356	100%
Sawmilling & Planing	170	27%	240	38%	104	17%	111	18%	625	100%
Millwork, Plywood & Structural Members	407	55%	148	20%	97	13%	88	12%	740	100%
Wood Containers	43	80%	5	9%	0	0	6	11%	54	100%
Wood Buildings & Mobile Homes	29	63%	8	17%	8	17%	1	2%	46	99%
Misc. Wood Products	109	40%	90	33%	47	18%	25	9%	271	100%
Furniture & Fixtures	339	82%	44	11%	23	5%	7	2%	413	100%
Subtotal Secondary Mfg.	927	61%	295	19%	175	12%	127	8%	1,524	100%
All Wood Products Manufacturing	1,473	33%	1,453	32%	879	19%	700	16%	4,505	100%

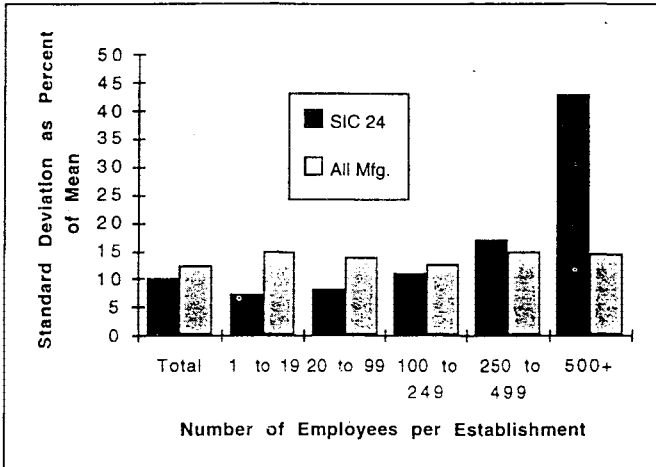
Source: Establishments Compiled from Bureau of Census, County Business Patterns for 1991, by Paul Polzin, Bureau of Business and Economic Research, University of Montana.

Table 5. Projected Consumption of Federal Log Supply by Type of County and Small and Large Mills, Owl Region, 1992

County Type	SMALL MILLS		LARGE MILLS		TOTAL	
	MM Bd. Ft.	%	MM Bd. Ft.	%	MM Bd. Ft.	%
Densely Populated	146.6	13.7%	151.2	16.3%	297.8	14.9%
Wood-Producing	150.3	14.0%	176.3	19.0%	326.6	16.3%
Fed. Wood-Prod.	565.1	52.6%	380.4	41.1%	945.5	47.3%
Low Density	212.0	19.7%	218.7	23.6%	430.7	21.5%
TOTAL	1,074.0	100.0%	926.6	100.0%	2,000.6	100.0%

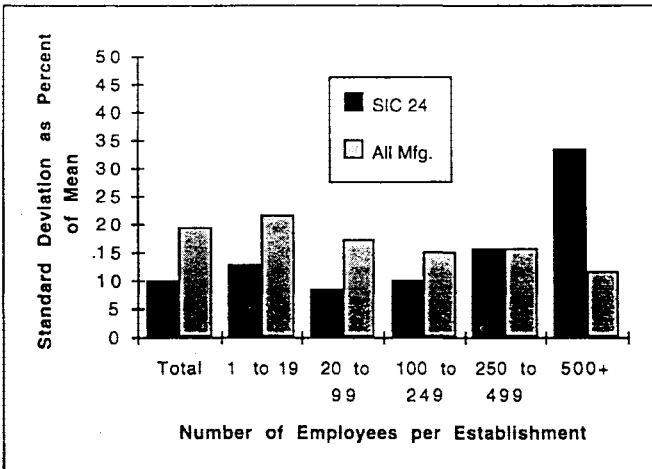
Source: Mason, Bruce, and Girard Mill Survey, December, 1991.

Figure 1. Stability of Oregon Logging and Sawmilling Employment (SIC 24) and All Manufacturing Employment, by Size of Establishment, 1964-1991



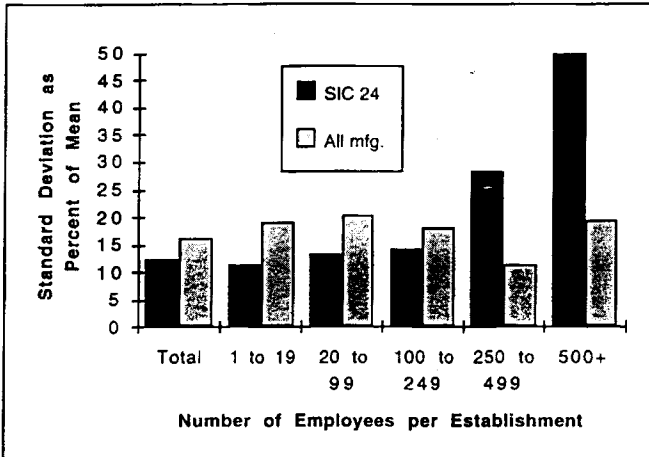
Source: R. Lee and P. Eckert. 1995.

Figure 2. Stability of Oregon Logging and Sawmilling Establishments (SIC 24) and All Manufacturing Establishments, by Size of Establishment, 1964-1991



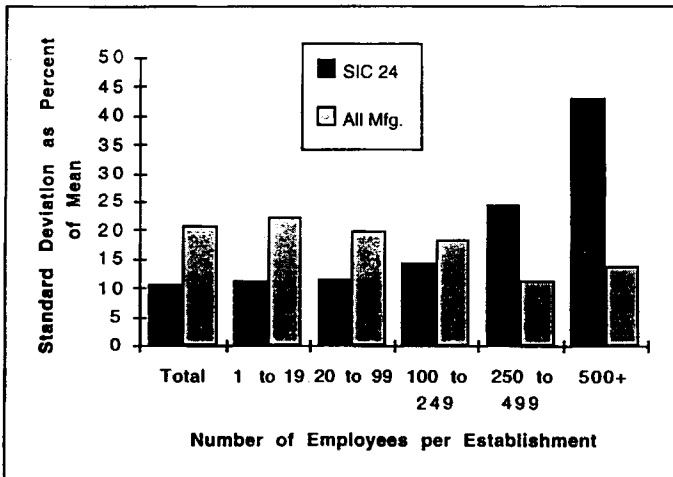
Source: R. Lee and P. Eckert. 1995.

Figure 3. Stability of Washington Logging and Sawmilling Employment (SIC 24) and All Manufacturing Employment, by Size of Establishment, 1964-1991



Source: R. Lee and P. Eckert. 1995.

Figure 4. Stability of Washington Logging and Sawmilling Establishments (SIC 24) and All Manufacturing Establishments, by Size of Establishment, 1964-1991



Source: R. Lee and P. Eckert. 1995.



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TESTIMONY

of

**Mr. Thomas M. Mayr
President**

**Mayr Bros. Company
Hoquiam, Washington**

Before

The House Resource Subcommittee

On

National Parks, Forests, and Lands

July 23, 1996

Thank you Congressman Dicks for introducing me to the members of this Committee. Mr. Chairman, I am honored and feel privileged to speak before a committee of the Congress of the United States of America. At the same time, I am embarrassed to be here today speaking in public about my problems. It seems to me like whining and complaining, and that is not how the Mayr family has conducted ourselves or our business. However, the direct and proximate cause of our recent mill closing, the layoff of 170 employees with over 1,370 man years of service with our company (that equals an average seniority of over 11 years), is due to the actions of the U.S. government. While I do not like to discuss our business problems in public, I feel this story must be told because what has happened to Mayr Bros. is not how the American dream is supposed to end.

I am president of Mayr Bros. Company, second generation of a family owned forest products manufacturing enterprise located near Hoquiam, Washington State. Up until a few months ago, nine members of the Mayr family, from three generations, were employed by the company.

Here I should make it clear that our mills were not closed down for lack of logs as has been the case with many other mills in the Northwest. Just yesterday on the way to the airport I received a call from a logger wanting to know when Mayr Bros. would be back on the log market.

I am accompanied today by Mr. James Geisinger, president of the Northwest Forestry Association and also representing the Northwest Forest Resource Council. Jim knows more about the overall impacts of the President's Pacific Northwest Forest Plan than I and has a number of charts with him if you want more specifics than I am able to offer. He has prepared testimony for this hearing

and I would ask that both of our written statements be made part of the record of this hearing. Additionally, we will both be happy to answer any of your questions.

While I am not an expert on how the President's Forest Plan has affected others, I am able to tell you how Mayr Bros. Company has been affected by this draconian forest plan. As I mentioned above, it is not lack of raw material that forced Mayr Bros. mills to shut down. But before we get to that, I want to share with you some history of our family's company:

In 1933 two teenage brothers borrowed a horse from a neighbor, borrowed oats from their father, and went to logging 8 foot pulp wood on a neighbor's backwoods. They were my father, Marzell and my uncle, Werner. Werner passed away last year, but my father is still active, he comes daily to the now quite mills, helping to cleanup and prepare them for whatever lies ahead.

Over the years, Mayr Bros. Logging, as the company was called then, grew and became a steady employer on Grays Harbor. The company bought its first USFS sale in 1939, and during WW II, Werner and Marzell logged Sitka Spruce for the war effort. In the early 1960's, Mayr Bros. built their first manufacturing facility, a chipping facility to make wood chips for paper manufacture. In 1973, the company built a sawmill to specifically saw the high-grade whitewood logs found on the Olympic Peninsula. During the late 1970's, the company had 500 employees, two sawmills and was a major exporter of finished lumber to the Japanese market.

High interest rates forced the company into Chapter 11 bankruptcy in 1984. The company regrouped and emerged from bankruptcy in 1988 a reorganized and solid company.

Here is where the current story begins. After the reorganization, the company concentrated its operations on the Hoquiam sawmill. This mill produced high quality specialty products for various customers, mainly in Japan. Over this period, we invested heavily in the facilities to continuously upgrade equipment and train employees to produce the greatest possible amount of lumber out of the logs. The company was 95% dependent upon the Olympic National Forest for saw logs to manufacture.

With the advent of logging restrictions due to the Spotted Owl, we at Mayr Bros. knew that the company had to refocus and adapt to the changes. From an extensive feasibility study begun in 1989-90, the company determined to build a small log mill and processing facility to compliment the existing facilities in Hoquiam. The company developed a business plan and went out looking for financing. Obtaining financing was difficult, but a package was obtained, the centerpiece was a \$5,000,000 loan from a local bank guaranteed by the Farmers Home Administration under the Business and Industry Guaranteed Loan program (now administered by the Rural Business & Cooperative Development Service under the Department of Agriculture).

Mayr Bros. had purchased several Forest Service timber sales under the Section 318 rider in 1990. Mayr Bros. business plan called for harvest of these sales during the years 1991, 1992 and 1993 while the new mill was being built and undergoing startup. Using this timber the company could operate the existing mill and sell lumber into its existing markets, while the new mill went through testing and markets were developed for the products sawn from small second and third growth logs. In addition, the cash flow was to be used to fund the portion of the mill construction

cost in excess of the loaned amount. The FmHA was well aware of this plan, even asking for details about the timber contracts, and requesting a copy of one of the contracts. Approval of the loan by the FmHA was based in large part on this Federal timber supply that the company had under contract.

Well, it did not work out as planned. In late 1992 the Forest Service stopped all operations on our Section 318 timber sales due to supposed Marbled Murrelet flybys. It has now been nearly four years; the four sales, with over 14,000,000 board feet of timber, are still held up. With the most recent ruling by the 9th Circuit Appeals Panel, it would seem that these sales will never be logged by Mayr Bros.

In 1993 the President came out to Portland, Oregon to hold a forest conference. As a result of that conference, the Secretary of Agriculture Mike Espy and Secretary of Interior Bruce Babbitt indicated the Forest Service and BLM would sell 2 billion board feet in 1994 and then would ramp down to about a billion board feet. In 1994, when the President's Forest Plan was finalized, we found just the opposite. These agencies were telling us they would ramp up to 1.053 billion board feet by the end of 1997, but that only 948 million board feet (MMBF) would be sawtimber. That is the type of material we need to run our mill. Additionally, that 948 (MMBF) would have to be shared by companies in three States.

The impact to the solid wood products industry manufacturing capacity in the Pacific Northwest has been devastating. Attached to my statement are some charts developed by Mr. Paul Ehinger

of Ehinger and Associates of Eugene, Oregon which detail mill closures and employment loss in the Pacific Northwest in recent years. It is a sad and unnecessary story.

To understand what this meant to Mayr Bros. I want to take you back to the 1960s, 1970s, and 1980s. The Olympic National Forest has a biological capacity to grow 330 MMBF of timber per year according to the forest plan which was completed in the late 1980s. For the last twenty years the forest offered 250+ MMBF per year. Under the leadership of this Administration, the plan is to offer 10 MMBF per year. That is less than 10% of what grows each year on the forest.

The Forest's performance has not yet begun to meet even the Administration's meager expectations. In FY 1993, the forest sold 14.2 MMBF; in FY 1994 the level was again 14.2 MMBF. Then the Clinton plan kicked in, FY 1995 the forest sold only 3.2 MMBF. This year, through June 30th, the forest has sold only 3.5 MMBF. While it may look like they are improving, you need to look a little deeper. Thus far this year, only 2.5 MMBF of the material sold on the Olympic has been material our company could manufacture to meet our customers' demand.

Mayr Bros. has always been a resilient company. We completed the new mill, found an alternate wood supply for the big log mill, and survived for a time. In fact the new mill is one of the most efficient and highest producing mills of its type in the world. During this same period, Mayr Bros. has paid the original loan down from \$5,000,000 to \$4,000,000. In order to accomplish all of that without the Sec. 318 timber, the company was forced to use all of its operating line of credit to finance completion of the mill construction. At the same time we lost our valued customer base in

Japan, and with it our lucrative niche markets. During this time Mayr Bros. always held out hope that the Forest Service would do the honorable thing and make some type of settlement with us on our timber sales. The Mayr family vainly held out hope as the delays and setbacks continued.

Finally, in February of this year I made a proposal to Tom Tuchmann, President Clinton's forestry representative in Portland, Oregon. The offer was this: Mayr Bros. would trade all of our claims against the Forest Service on our Sec. 318 sales, if the Government would pay off the approximately \$4,000,000 remaining on the government guaranteed mill loan. While a great deal of interest was expressed in this proposal, we were told by Mr. Tuchmann of the office of Forestry and Economic Development that (contrary to the opinion of our attorney) the administration lacked the authority to do such an offset. It should be noted that in making this offer, Mayr Bros. was (out of desperation) expressing a willingness to settle for less than 50% of what the damages will be on these contracts should Mayr Bros. be forced to file claims in the U.S. Court of Contract Claims.

Attached to my testimony is a proposed piece of legislation prepared by my attorney which authorizes the Clinton Administration to enter into an agreement with my company that would require my company to relinquish any and all claims for damages related to all of our Forest Service timber sale contracts purchased prior to fiscal year 1992 in exchange for the United States fully retiring my company's obligation on its government guaranteed loan, including all principal, interest, fees and other charges. The Clinton Administration has expressed a great interest in this approach, yet it claims not to have the authority to execute such an action. I truly believe that this is in the best interest of the U.S. government and of my company. The case law is clear that

damages are due my company as a result of the government's long delay in making the timber held under contract available for harvest. Rather than spend years in court to resolve the full damage amount and seal forever the fate of my company, I call on this committee to pass this legislation and provide my company a ray of hope for the future.

Where are we today? The aftermath of one agency of the Department of Agriculture refusing to perform on the contracts that were to be used to repay a loan set up by another agency of the same department has been devastating. By using our operating line of credit to finance the activities that should have been financed by the harvest of our Sec. 318 sales, we did not have adequate funds available to properly buy logs and market lumber from our mills. When the provider of our operating line of credit lost confidence that the Forest Service would ever perform on the Sec. 318 contracts, they demanded repayment of the loan. This forced the company to liquidate all log and lumber inventory. From 190 employees in 1995, we are now down to 16 and by August 31 that number will be zero.

The local bank which has stood behind us through the last 10 years is in fear of losing the federal loan guarantee if they do not force us to payoff the mill loan. We have been required to solicit proposals from auction companies for a liquidation of our mills.

An interesting side issue is the retraining programs for mill and woods workers implemented by this administration. Most of our laid off employees have become participants in at least one if not several of the federal and state timber worker retraining programs. While these programs began as well intentioned, they constitute the final nail in the coffin of the small family owned sawmill

company. Why? Because the programs employ overt blackmail of the participants. How? If a laid off timber worker chooses to sign up for these programs, (such as junior college education), and he is called back to his old job (or any job in the timber industry) and he takes the job, he loses all benefits of the program now and in the future. Why? Isn't the idea to put the unemployed back to work — or is the idea to remove our employees from the timber industry permanently? We have prior personal experience with these retraining programs. In August of 1994 we temporarily laid off the second shift in the planer mill while we upgraded the dry kilns, this was a 3 week period only. When we called the crew back to work, 6 individuals had been signed up by the social service agency for displaced timber worker retraining and refused our offer to come back to work. They weren't displaced timber workers, they were on temporary layoff during which most of them drew vacation pay! We were forced to hire 6 new people to fill in and suffer the cost of training them for the jobs.

I would also like to mention two other points I believe this Committee and this Congress should focus on. The first is what has happened to the town of Hoquiam. Hoquiam was a thriving community. We had the largest concentration of wood product companies in the State of Washington. Today, three years into the President's Forest Plan, we are down to two small sawmills and one pulp mill. Our town as been converted from a thriving community to a dumping ground for indigent families.

I am told that over 50 percent of the private homes in Hoquiam are now rentals. I am also told that the average length of stay for the new tenants is four months. Think of that, every four months 50 percent of the homes in our town have tenants leave. You might ask why is this

occurring. Well, it is simple - the economy is so poor in Hoquiam that rents are so low that the State encourages the poor and indigent to settle in Hoquiam. Several families I know have moved to Alaska, in part, because they were concerned for their safety in our new Clintonized town. I know it is difficult for governmental agencies to look at the data for individual towns, or even individual families. But come to Hoquiam and look what the plan which "broke the gridlock" has resulted in. While your at it, you ought to visit some of the other town which are being devastated by this Administrations misguided natural resource policies. You can find them in nearly all the western states

The other thing Congress should examine is how this Administration has begun a land rush with the largest companies in this industry. Despite promises to help small business companies like Mayr Bros., just the opposite is occurring. The Forest Service, supported by many members of Congress, is turning to large land exchanges to grow the number of federal acres it can lock up. Weyerhaeuser Company has one proposed on the Mt. Baker-Snoqualmie National Forest and Plum Creek has one proposal called the I-90 land exchange. This Administration is encouraging the most wealthy companies to give the federal government lands which are located in areas where timber cannot be harvested under the President's forest plan. In exchange they are giving these companies lands which are open for harvest under the President's forest plan. The net result is less land will be available for the timber sale program small companies like mine need to survive.

We have also observed the Administration is in the process of entering into Habitat Conservation Plans with these largest companies. The result is that much of land owned by these companies is

released for harvest while our timber supply continues to be locked-up. The Clinton Administration's promise to help small business companies and secondary manufacturers was perhaps the most empty promise made in the President's forest plan.

Mr. Chairman, I told you coming to testify about our families problems is very uncomfortable. But, I hope my coming will help you take action to reverse the economic destruction of the Pacific Northwest before it is too late for other companies. I will conclude my testimony with this.

I would like to show you this broadside (exhibit). One company has gone so far as to schedule an auction for the bank. If this auction actually takes place, it will kill my father, if not by actual physical death by emotional. To be forced to liquidate 63 years of hard work at a scrap iron auction because your country will not honor its obligations is not acceptable. That is not the country that he has supported for 81 years; it is not the country I have been a proud citizen of for 44 years; and it is certainly not the country my grandfather, Marzellinius Mayr, came to for the first time at the turn of the century by shoveling coal in the boiler room to pay for his passage.

Remember what I said earlier, it was not a lack of raw material in our area that closed the mill, or even the current cost of logs. If this administration would settle with Mayr Bros. for the huge monetary losses caused by the Forest Service contract nonperformance, Mayr Bros. could refinance our operations and put our mills back in operation utilizing logs from state, Indian, and private lands. Please consider giving the Administration the authority they say they need to settle so we at least have one ray of hope for the future.

Thank you for the opportunity to address you today, I request that both my written and oral testimony be made part of this hearing and we would be happy to answer any of your questions

104th CONGRESS

2d Session

H.R. _____

IN THE UNITED STATES HOUSE OF REPRESENTATIVES

A BILL

This is a bill authorizing the Secretary of Agriculture ("Secretary") to eliminate all of a timber purchaser's pending or potential timber sale contract claims against the Forest Service in exchange for fully retiring a timber purchaser's obligation as a government guaranteed loan.

SECTION 1. SHORT TITLE.

This Act shall be cited as the "Timber Sale Contract Damage Elimination Act."

SECTION 2. FINDINGS--Congress finds the following:

(a) Federal timber purchasers have been unable to log timber sales sold by the Secretary because of government delays and changing environmental standards.

(b) Timber purchasers have used these very sales to obtain loans from the government for mill improvements and modernization to remain in business.

(c) The government's long delay in making the timber available exposes the government to substantial claims for timber sale contract damages.

(d) The long delay in releasing a purchaser's federal timber sales has hindered timber purchasers' ability to repay government loans.

(e) Offsetting a purchaser's potential contract damage claims against its government guaranteed loan obligations is in the purchaser's and government's best interests.

SECTION 3. AUTHORITY OF SECRETARY TO ELIMINATE CONTRACT DAMAGES

(a) The Secretary is authorized to enter into an agreement with a requesting timber purchaser that would require the purchaser to relinquish any and all claims for damages related to all of a purchaser's timber sale contracts purchased prior to fiscal year 1992 in exchange for the United States fully retiring a purchaser's obligation on a government guaranteed loan, including all principal, interest, fees and other charges.

PAUL F. EHINGER & ASSOCIATES

Consultants to the Forest Products Industry

1200 HIGH STREET, SUITE 22

EUGENE, OREGON 97401

503/686-9607 FAX 503/686-8124

MILL CLOSURES

In listing mills as closed, we use the following criteria:

1. The mill that management indicates the operation will be closed permanently.
2. A mill is considered closed if it has been closed for 60 days or more and, we believe, is not likely to reopen, or management indicates a closure of indefinite length.
3. Mills that reopen are removed entirely from the list. There is no double counting in our data. The listing is for mills that are closed or formally announced to be closed on the date of listing.
4. To be on the list, a mill must have been a producer of a primary product: lumber, plywood, veneer, board, pulp, or other major commodity.
5. The employment data is the number of mill employees that lost their job. In some cases if a plant has normally run 2 shifts, but for the last year prior to closing has run only a single shift, we try to capture the 2 shift level of employment.
6. The production information represents the average annual production over the two years prior to closure.
7. Our history of recording closures shows that once a mill is closed in the western states, they rarely reopen. Over the past 10 years of tracking mill closures, we find the permanent return to operation rate to be about 1%.

In some cases, our judgment and information may be proved wrong, but we believe this criteria reflects the status of mills within our industry.

TABLE 1
OREGON/WASHINGTON/IDAHO/CALIFORNIA/MONTANA MILL CLOSURES

SAWMILLS				PLYWOOD/PANEL/VENEER/OTHER			
NO.	PRODUCTION	NO.		NO.	PRODUCTION		NO.
					104 SQ.FT.	30 BASIS	
MILLS	MMBT	EMPLOYEES		MILLS			EMPLOYEES
1996	13	542	810	1	100		180
1993	26	979	1,934	6	248		351
1994	22	858	1,823	7	747		956
1993	26	730	1,489	8 *	427		862 ***
1992	28	964	2,342	14 **	1,282		2,390 ***
1991	35	1,235	2,698	14 *	837		1,230
1990	34	1,200	2,321	21	2,215		1,919 ***
1989	19	969	1,883	6	878		880
TOTAL	204	7,507	19,020	77			8,468

COMBINED SAWMILL & PANEL

NO.	NO.
MILLS	EMPLOYEES
1996	14
1995	32
1994	20
1993	34
1992	43
1991	49
1990	56
1989	25

TOTAL 281 23,131

*Plywood/Veneer: Industry production totals are not used for plywood and veneer because all wood products in veneer plants are ultimately used in plywood production.

**Includes one Pulp Mill.

***Includes two Pulp Mills.

— Includes one laminated beam plant in number of mills and employees.

Totals for California prior to 1987 incomplete.

Data for Montana incomplete at this time prior to 1990.

PFE & Associates

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TABLE 2
OREGON MILL CLOSURES

	SAWMILLS			PLYWOOD/PANEL/VENEER/OTHER		
	NO. MILLS	PRODUCTION MMDF	NO. EMPLOYEES	NO. MILLS	PRODUCTION NN SOFT. % BASIS	NO. EMPLOYEES
1986	7	355	289	0	0	0
1985	14	538	1,056	3	125	135
1984	3	65	122	6	707	606
1983	8	316	647	6	362	575
1982	12	486	1,432	6	861	1,200
1981	13	700	1,443	8	825	902
1980	9	337	655	19	2,011	1,624
1989	7	347	780	6	693	710
TOTAL	73	3,044	6,324	64		5,950

COMBINED SAWMILL & PANEL		
NO. MILLS	NO. EMPLOYEES	
1996	7	289
1993	17	1,189
1994	9	728
1993	14	1,222
1992	20	2,632
1991	21	2,345
1990	28	2,379
1989	11	1,460

TOTAL 127 12,274

+Plywood/Veneer: Industry production totals are not used for plywood and veneer because all wood products in veneer plants are ultimately used in plywood production.
** Includes one laminated beam plant in number of mills and employees.

PFE & Associates

TABLE 3
WASHINGTON MILL CLOSURES

SAWMILLS			PLYWOOD/PANEL/VENEER/OTHER		
NO.	PRODUCTION	NO.	PRODUCTION:	NO.	
MILLS	MMBF	EMPLOYEES	MM SQ.FT. 36 BASIS	EMPLOYEES	
1986	1	53	1	100	180
1985	5	197	2	31	48
1984	5	101	1	40	50
1983	3	8	1	35	25
1982	4	43	5 *	246	1,070
1981	13	186	5	212	208
1980	8	116	2	204	95
1989	7	445	2	285	170
TOTAL	46	1,147	19		1,845

COMBINED SAWMILL & PANEL	
NO.	NO.
MILLS	EMPLOYEES
1988	2
1986	7
1994	6
1993	4
1992	9
1991	18
1990	10
1989	8

TOTAL 66 4,052

*Plywood/Veneer: Industry production totals are not used for plywood and veneer because all wood products in veneer plants are ultimately used in plywood production.
*Includes two Pulp Mills (production was 895 Tons Per Day).

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TABLE 4
CALIFORNIA MILL CLOSURES

SAWMILLS				PLYWOOD/PANEL/VENEER/OTHER			
NO. MILLS	PRODUCTION		NO. EMPLOYEES	NO. MILLS	PRODUCTION*		NO. EMPLOYEES
	MMBF				MM SQ. FT. ON BASIS		
1996	4	190	270	0	0	0	
1995	2	110	180	1	90	170	
1994	8	338	832	0	0	0	
1993	7	263	517	1 **	0	262	
1992	5	252	442	1	75	120	
1991	7	301	530	1 *	0	120	
1990	13	864	1,208	0	0	0	
1989	3	155	381	0	0	0	
TOTAL	49	2,270	4,340	4		572	

COMBINED SAWMILL & PANEL		
NO. MILLS	NO	
	EMPLOYEES	
1996	4	270
1995	3	350
1994	8	832
1993	8	779
1992	6	582
1991	8	650
1990	13	1,208
1989	3	381
TOTAL	53	5,012

*Plywood/Veneer: Industry production totals are not used for plywood and veneer because all wood products in veneer plants are ultimately used in plywood production.

*Includes one Pulp Mill (production was 700 Tons Per Day).

**Includes one Pulp Mill (production was 705 Tons Per Day).

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TABLE 5
IDAHO MILL CLOSURES

	SAWMILLS			PLYWOOD/PANEL/VENEER/OTHER		
	NO. MILLS	PRODUCTION MMBF	NO. EMPLOYEES	NO. MILLS	PRODUCTION+ MM SQ.FT. 36 BASIS	NO. EMPLOYEES
1996	1	23	40	0	0	0
1995	4	122	293	0	0	0
1994	2	193	210	0	0	0
1993	2	16	18	0	0	0
1992	5	89	109	0	0	0
1991	2	68	107	0	0	0
1990	3	28	138	0	0	0
1989	1	12	45	0	0	0
TOTAL	20	565	962	0	0	0

COMBINED SAWMILL & PANEL		
	NO. MILLS	NO. EMPLOYEES
1996	1	40
1995	4	293
1994	2	210
1993	2	18
1992	5	109
1991	2	107
1990	3	138
1989	1	45
TOTAL	20	962

+Plywood/Veneer: Industry production totals are not used for plywood and veneer because all wood products in veneer plants are ultimately used in plywood production.

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TABLE 5
MONTANA MILL CLOSURES

	SAWMILLS			PLYWOOD/PANEL/VENEER/OTHER		
	NO. MILLS	PRODUCTION MMBF	NO. EMPLOYEES	NO. MILLS	PRODUCTION MM SQ. FT. 36 BASIS	NO. EMPLOYEES
1996	1	44	80	0	0	0
1995	1	12	25	0	0	0
1994	4	188	380	0	0	0
1993	6	153	303	0	0	0
1992	3	74	250	0	0	0
1991	0	0	0	0	0	0
1990	1	55	150	0	0	0
1989	1	10	40	0	0	0
TOTAL	17	506	1,228	0	0	0

COMBINED SAWMILL & PANEL		
	NO. MILLS	NO. EMPLOYEES
1996	1	80
1995	1	25
1994	4	380
1993	6	303
1992	3	250
1991	0	0
1990	1	150
1989	1	40
TOTAL	17	1,228

+Plywood/Veneer: Industry production totals are not used for plywood and veneer
Data incomplete for Montana prior to 1990.
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PLANTS IN OPERATION

OREGON/WASHINGTON/CALIFORNIA/IDAHO/MONTANA

	NO. OF PLANTS					Total
	Sawmills	Plywood Plants	Veneer Plants	Board Plants	Pulp Mills	
Western Oregon	74	30	20	13	10	147
Eastern Oregon	17	4	3	6	0	30
Total Oregon	91	34	23	19	10	177
Western Wash.	61	5	7	0	12	85
Eastern Wash.	19	4	0	1	3	27
Total Wash.	80	9	7	1	15	112
California	47	0	4	7	2	60
Idaho	44	3	3	2	1	53
Montana	28	4	0	2	1	35
TOTAL	290	50	37	31	29	437

Paul F. Ehinger & Associates
Plants in Operation

5/22/96



10AM - TUE/WED - SEPT. 17/18

Preview 10am to 4pm, Monday, September 16

Hoquiam, WA

**AUCTION
PROPOSAL**

A-4

Letters to the editor must include name, address, telephone number and signature (for verification only). Send them to P.O. Box 269, Aberdeen, or fax to 533-6039.

OPINIONS

OUR VIEW

What's endangered is common sense

THE most endangered species on the Olympic Peninsula appears to be the family sawmill — and common sense.

Even if you believe that the thousands of acres already set aside for spotted owls and marbled murrelets aren't nearly enough; even if you believe that the whole old-growth ecosystem is on the eve of destruction, surely you will agree that it's only right that the Mayr Bros. Logging Co. of Hoquiam be compensated for the 14 million board feet of federal timber it bought, fair and square, but has been unable to log for nearly six years.

Three years after President Clinton's Forest Conference and a week after the end of the Seventy American Forest Congress, the U.S. is still at loggerheads over timber policy.

This being an election year, we are not holding our breath for a solution any time soon.

It isn't all his fault, but President Clinton's track record on timber issues is a mirror image of his worst tendencies as governor of Arkansas: Bobbing, weaving and often reversing course, he wants it both ways.

As part of a comprehensive spending bill last summer, Clinton signed the salvage logging "rider" which would allow logging of blow-down and other trees that otherwise would be left to rot. But the rider also allowed logging of some green timber, the "Section 318" sales that date back to the Bush administration.

Environmentalists claim this logging will wreak havoc, and during a campaign stop in Seattle last week, the president declared that he wants to repeal much of the law.

Caught in the middle once again is Mayr Bros. The Hoquiam company bought several Section 318 old-growth timber sales from the Forest Service in the Olympic National Forest about six years ago.

Sen. Slade Gorton of Washington and Oregon's Mark Hatfield have crafted a compromise plan to give the administration new flexibility to buy out the contracts or provide substitute timber in cases where major environmental impacts are feared.

But the White House is balking because the Republicans' plan still gives the contract holder final say on whether a buyout offer or exchange is acceptable — as if that's not fair.

While Washington fiddles, more human beings are getting burned.

Mayr Bros., whose resilience and ingenuity have been beacons of hope for Grays Harbor, announced Friday that it will lay off most of its 180 employees over the next two months.

Lack of revenue from the 318 sales makes it difficult for the company to meet loan payments for the small-log sawmill it built in 1993 to make the transition to the new downsized era.

Mayr Bros. did everything it could to meet the challenges of the future and preserve hundreds of family-wage jobs. And it's still getting hogged.

Company president Tom Mayr is absolutely right when he says that if Mayr Bros. isn't allowed to log the timber it bought, it should be fully compensated for the stumpage, plus millions in damages due to the delay.

"Keep hope alive," candidate Clinton said in 1992. "We haven't got a person to waste."

What's wasting is time, Mr. President. At the rate we're going, will there still be a Mayr Bros. when Uncle Sam gets around to keeping his part of the bargain?

This editorial represents the views of John Hughes, Don Anon Hauko, Rick Anderson and Doug Barker.

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TESTIMONY

OF

GERRY BENDIX
President

Hi-Ridge Lumber Company
Yreka, California

Before

United States House of Representatives

House Resource Subcommittee
on
National Parks, Forests and Lands

July 23, 1996

I. Introduction

Mr. Chairman and members of the Committee, my name is Gerry Bendix. I am president of Hi-Ridge Lumber Company located in Yreka, California. I appreciate the opportunity to testify before you today to share with you how the Clinton Administration and the Forest Service have abandoned the forest products industry in northern California. I also am here to help set the record straight concerning promises the Clinton Administration made and never fulfilled. The President's Forest Plan is devastating individuals, businesses and communities which have traditionally depended on our national forests. Additionally, I want to describe the layers and layers of new bureaucracy this Administration has put in place to slow the development of any timber sales in northern California.

Mr. Chairman, Hi-Ridge Lumber Company is a 40-year-old saw mill, dry kiln, and planing mill located in the small (population 7,500) northern California town of Yreka, California. We employ approximately 130 people at the mill and an equal number of loggers and truckers work in the woods to supply our mill with the logs we need to operate. Our family, along with a partner, built and has been operating Hi-Ridge Lumber Company for the last 40 years. We have always actively participated in the management of this closely held family business. In 1996, we will process 45 million board feet of timber and generate approximately \$35 million in sales.

We operate on several national forests in northwestern and north central California,

several of which are included as part of the area covered under the President's Forest Plan. About 90% of the raw materials we need to operate our mill is supplied from the national forests in northern California. Our main source of logs has been the Klamath National Forest.

II. The Klamath National Forest and Hi-Ridge's Timber Supply

Throughout the 1970's and 1980's, the Klamath National Forest annually sold between 200 and 250 million board feet (MMBF) of saw timber to companies like ours. It was with great disappointment that we found the forest was slated to sell about 40 to 50 MMBF each year under the President's Forest Plan. Despite recent pronouncements by the Administration that the President's Forest Plan had broken the grid-lock and things are now moving, it frankly disappoints me to tell you where the Forest Service is heading. Since 1993, when the President's plan for the economic destruction of the forest products industry was announced, the Klamath National Forest has been moving backwards. In 1993, the Klamath National Forest sold 32 MMBF. In 1994, the Klamath National Forest sold 23.8 MMBF. In 1995, it sold only 25.6 MMBF; and this year, now with more than three quarters of the year over, it has sold only 27.1 MMBF. While the raw data may look like things are improving, the detailed data is quite disturbing.

Most national forests usually sell a mix of saw timber and non-saw timber products. In a typical year, 75 to 80 percent or more of what the Klamath National Forest would offer was sawtimber. Each year, we have seen the ratio of sawtimber to non-sawtimber slip.

In 1995, less than half the Forest Service volume sold in the state of California was sawtimber. Companies like ours cannot survive when the Forest Service sells non-saw timber material to meet its targets. With the implementation of the President's Forest Plan, we have seen a steady decline in the federal timber available to our company, as well as the share of sawtimber which is offered. In March of 1993, a month before the President came to Portland, Oregon for his Forest Conference, our company held 62 MMBF of timber under contract. That was down from 77 MMBF of volume we held under contract in 1991. As of March 31, 1996, we held only 28 MMBF of volume under contract. To maintain a timber supply, our company now purchases timber as far away as the El Dorado National Forest, a distance of more than 300 miles from our mill. Yet as I just said, our very life blood - federal timber under contract- continues to shrink. These contracts are crucial to our ability to secure the lending we need to modernize our mills.

III. The Clinton Forest Plan - A Trail of Broken Promises

A. The Administration Has Ignored Its Promise to Sell Timber

When President Clinton announced that Option Nine would be implemented during a July 1, 1993 press conference, he promised the Forest Service and the BLM would sell 1.2 billion board feet of timber per year. By the time the final plan was published, the Administration had reduced the planned goal to 1.053 billion board feet. Thus, the Administration dropped 12% off its promised volume before we even got started. As the following table shows, the Clinton Administration has completely failed to even keep its reduced promise.

**Timber Sold
By Forest Service and BLM
Under the President's Forest Plan**

Year	Volume Sold	Percent of Promise
1994	.187 Billion Board Feet	17.78%
1995	.336 Billion Board Feet	31.91%
1996*	.393 Billion Board Feet	37.32%

* Through June 30, 1996

Mr. Chairman, at this rate it will take a decade to attain the mythical billion board foot level promised in the President's Forest Plan. Given Secretary Glickman's recent announcement to administratively gut an important part of the emergency salvage program, I have difficulty understanding how we will ever get to the promised level.

B. The Administration Has Broken Its Promises to Small Business

Three years ago when the President announced his Forest Plan for the Northwest, one of the few glimmers of hope I saw was included in the President's press statement. The President directed " *his Cabinet to identify and implement, in a priority manner, the best ways to strengthen small business and secondary manufacturing in the wood products industry, including a review of increasing supplies of federal timber set asides for small business and possible preferences for bidders who contract for domestic secondary processing.*"

Mr. Chairman, I am here to tell you that nothing, not one signal change, has been made to

help either small business or the secondary manufacturers. In fact, the Small Business Administration seems to be going out of its way to ensure the Small Business Timber Sale Set-Aside program withers on the vine. During the Reagan Administration, and during much of the Bush Administration, the Small Business Administration had six Industrial Specialists, all foresters, to oversee the set-aside program. They were adequately funded and had adequate support staff to both oversee the program, and to be advocates for small business as they interacted with the Forest Service and BLM to insure small business needs are secured. Today, the SBA has cut staffing down to just two industrial specialists and has resisted Congressional efforts to force the SBA to fill those positions.

While the President's promise was artfully stated, I am sure his staff would tell you they've completed a study. Many government personnel and private sector people, including me, participated in a year long process to develop and comment on a report which identified opportunities to assist small business primary and secondary manufacturers. To date, nothing has been done. No final report was prepared or released, and to my knowledge, no recommendations were ever forwarded to the President. The President has done nothing to help the small forest industry companies like mine in the last three years. While the SBA program itself may be confusing, it is critically important to small companies like the one my family owns in California.

We do not own vast land holdings like many of the large forest industry companies. Hi-Ridge Lumber Company and many other small family-owned businesses like ours are

almost totally dependent on timber sold from federal lands. The President recognized the critical link between companies of our size and the federal land when he directed his cabinet to *"identify and implement, in a priority manner, measures to strengthen small business and secondary manufacturing"*. While we have seen no help for small business, we cannot help but notice how far this Administration has gone to aid the largest integrated forest product companies. Particularly, those companies with large land holdings.

C. The Administration Promised Other Economic Assistance - Little Assistance Has Been Offered

Amidst great fan fare, the Administration promised to insure that workers who are put out of work, due to the drastic reductions in federal timber supplies, would be offered economic assistance and retraining. While none of my employees have been forced to face this problem, yet we have observed that very few mill or wood workers in northern California seem to have benefited by these programs.

It seems most of the funds have gone to build infrastructures in the communities which applied for this program. We've heard of towns in Oregon where softball fields were built so the town could hold softball tournaments in hopes of encouraging more people to spend money in the town. Let me tell you, in Yreka, that type of economic assistance might bring a handful of ball players to town between May and September. It would be a long tough winter if all we had to rely on was increased spending of softball players during the four summer months.

D. The Heralded Adaptive Management Areas Have Produced Nothing But Employment for Federal Employees

The President also made much-to-do about special Adaptive Management Areas which could be used to experiment with new forest management techniques and indicated we would see timber flowing from these areas very quickly. Mr. Chairman, the Goosenest Adaptive Management Area on the Klamath National Forest has produced no timber volume up to this point. Although it is producing work for Forest Service employees who are preparing an Adaptive Management Plan, an LSR Plan, a watershed analysis, and will need to do other NEPA documentation. Meanwhile, the health of the forest in the area has steadily declined over the last three years. Another opportunity and another promise broken.

IV. Option Nine Has Provided an Incredible Employment Opportunity for Government Workers

When the Administration adopted the President's Forest Plan, they also imposed several new layers of bureaucracy. They set up a number of regional and provisional advisory boards to review proposed federal forestry projects. The Forest Service invited various people to serve on these advisory groups. I was invited to apply to serve on our local provincial advisory group but, thankfully, was not chosen. I say that because one only has to hear details of one of the meetings of these groups to conclude that these meetings are little more than a guaranteed employment program for numerous federal employees.

These advisory boards are so heavily staffed with federal employees that the groups could not propose any action which the agencies did not already approve. Further, we have seen no tangible evidence that these groups are making decisions which are producing timber sales.

V. **The Administration Has Offered Special Deals to the Largest Timber Companies**

As part of the overall strategy for dealing with endangered species, the Administration originally said it would only address the problem on federal lands. Shortly after that announcement, the Administration changed its tune and said they would develop a rule under the Endangered Species Act which would facilitate private land management and protect the Northern Spotted Owl. In fact, that proposed rule will impose restrictions on both state and private lands within our state if implemented. To date, the Administration has yet to finalize the 4(d) rule, so I cannot tell you how much more pain the Administration will heap on the region of northern California.

At the same time, the Administration worked with the largest forest land-owning companies to cut special deals to free up their forest lands for management.

Weyerhaeuser Company, Plum Creek Ltd, and others have been exempt from having to deal with Northern Spotted Owls on some of their acres in exchange for signing 100 year long Habitat Conservation Plans.

The irony of this becomes apparent when you think about the President's promise to help

small business and then think about how large business has benefited as a result of the imposition of Option Nine. As a result of the imposition of Option Nine, the value of the largest companies' timber holdings has skyrocketed. With less federal timber likely to come to market, these companies watched their timber increase in value at an significant rate.

Thus, these companies found themselves with more revenue and gained a competitive advantage over small companies like mine as a result of the decision to reduce federal timber sales by 80 to 90 percent. Then to add insult to injury, the Administration offered HCP's to the largest companies. These HCP's are not a practical option for smaller land owners, due to the expense of completing the extensive biological research which the Department of Interior requires. When signed, these HCP's free-up a significant amount of the forest lands these companies hold. Thus small business companies are forced to compete against companies which were made more powerful through the actions of the Clinton Administration. If one was conspiracy minded, one might conclude the Administration and the largest timber companies in this country aren't working together to eliminate small companies like mine.

VI. Recent Decisions by The Administration Continue the Persecution of the Forest Products Industry

Despite having signed a law to expedite the salvage of dead and dying timber, within three days of that bill becoming law this Administration released a Memorandum of

Understanding which gave the US Fish & Wildlife Service, the BLM, the National Marine Fisheries Service, the EPA, and others agencies veto authority over how, when, and where the Forest Service may salvage dying timber. On the Klamath National Forest, we have a long history of forest fires. Like many other areas, we suffered major fires in 1994. This new layer of bureaucracy was designed to slow down the salvage of dead and dying timber. And on the forest I am most familiar with, the slow down is working

We have a large fire area called Dillion Creek, which is in dire need of salvage. The President's Forest Plan and the Emergency Salvage MOU have combined to delay the salvage of the Dillion Creek area. This area has been visited by more top natural resource officials than most any other prospective timber sale in the west and they've all pronounced the sale a good one. Up until last week, we thought we would finally see the 20 million board foot sale offered, a sale of fire-killed timber. Then the Administration struck yet one more time.

The Secretary of Agriculture released a new policy on the Emergency Salvage program which precludes offering of salvage sales in inventoried roadless areas. For the Dillion Creek sale, this new policy will result in yet one more delay. At this point, the latest delay could render this sale uneconomic. You see, the agencies were going to require that almost all the volume be logged with a helicopter. As the years pass, the trees rot. At some point, there is not enough merchantable wood to pay for this very expensive method of logging. In this case, the Secretary's decision may have sealed the fate of this sale. We

will be deprived of the opportunity to bid on 20 million board feet of timber which we desperately needed. The Administration has shown once again that it does not really care what happens to small companies like Hi-Ridge Lumber.

VII. Congress Gets Into the Act

In 1994, a little more than four million acres of lands in this country were burned. As a result of those fires, and the generally deplorable health conditions on our federal forests, Congress pushed through land-mark legislation to expedite the salvage of the timber killed in these fires.

This year, we have experienced more fires, to date, than we had in 1994. As of July 18th, the Forest Service reports 2.9 million acres have burned so far, compared to 1994 when slightly less than 1.5 million acres had burned by July 18th. Yet, both the House and the Senate seem to be ignoring this year's fires. Less than a month ago, 208 of your colleagues voted to repeal funding for implementation of the emergency salvage law. We expect the Senate will face a similar vote within the next month.

Mr. Chairman, as of last May, the Forest Service indicated there were 18 billion board feet of dead and dying timber on Forest Service lands that had economic value. Since the passage of the Emergency Salvage Law, the Forest Service has salvaged less than 2 billion board feet of that dead and dying timber. In a year when the fire season is even more active than 1994, I do not understand how Congress could be seriously considering

repealing this law. What is even more frustrating to me, is how the leadership of both the House and Senate refuse to even consider extending this much needed law. To further illustrate the point, our company was recently solicited by U.S. Forest Service ranger districts from Utah where the forest products industry has virtually vanished as a result of the federal government nearly stopping all timber sales. Now the Forest Service wants to manage against insect infestation and increased fire hazards. They now recognize that a healthy forest products industry is needed to implement the management projects.

Mr. Chairman, Congress, through its willingness to allow this needed law to sunset, is walking away from hundreds of millions of dollars in revenues. In the face of compelling evidence of the need to manage federal forests, I am unable to understand how Congress can be so short sighted. I am disappointed that Congress stands by while this Administration works to economically destroy the small timber purchasers in the west. This policy of political correctness is killing many small towns like Yreka. In my opinion, it is unconscionable that the Congressional leadership would stand by and allow groups like the Sierra Club, aided by the Clinton Administration, to nearly stop all timber harvesting on federal lands. Our national forests were established 100 years ago to supply the timber and water needs of a growing nation. Our country is now a net importer of wood. Mr. Chairman, companies like Hi-Ridge Lumber need this Congress to do more to ensure our federal forests are properly managed and supply domestic forest products for Americans.

Conclusion

Mr. Chairman, I know of no analyst who will tell you the promises made by President Clinton as part of his forest plan for the Pacific Northwest, have been kept or that the President's Forest Plan is a success. As a company which has struggled for the last four years at ground zero, I must tell you it is a disaster. But what is more disappointing, is that the Congress, the Administration, and the public are walking past the most important question. Unless this Congress extends the emergency salvage law or passes forest health legislation, such as Senator Craig's Forest Health bill, you will have done a great disservice to our forests and to those of us who depend on these forests for our social and economic well-being. You will also have failed to serve the American public, which demands a wide range of uses from our forests.

I appreciate the opportunity you have afforded me, I would be happy to answer any questions you might have and request that you make both my statement part of the official record of this hearing.

**Testimony Before the House Resources Subcommittee on National
Parks, Forests and Lands**

**On the Impact of the Rescissions Logging Rider
on the Northwest Forest Plan**

**by Bonnie Phillips, Executive Director
Pilchuck Audubon Society**

July 23, 1996

My name is Bonnie Phillips, and I am Executive Director of the Pilchuck Audubon Society. We are a chapter of the National Audubon Society, with 1500 members in Snohomish County, just north of Seattle, in Washington State. For the past decade, protecting ancient forests has been a very high conservation priority for our Audubon Chapter.

In 1987, we were the first Chapter to begin a program called Adopt-a-Forest. That program established a relationship with several of the Ranger Districts on the Mt. Baker-Snoqualmie National Forest. We began working cooperatively with the Districts in mapping old growth, in setting up workshops to educate citizens on how the Forest Service works, and how citizens can get involved. For the past nine years, we have co-sponsored a variety of events with the Forest Service, including an annual Festival of the River, and our Trees for Life program, which has provided over 100,000 excess trees from Forest Service planting projects to our community within the Puget Sound. Pilchuck Audubon Society is a strong community organization and believes in cooperative relationships as the cornerstone of all of our programs.

However, sometimes litigation has been necessary when we find federal agencies in violation of environmental laws passed by Congress to protect our natural resources. Violations of these laws, in our opinion, have unfortunately happened repeatedly over the past decade, and my Audubon chapter has been a plaintiff in all of the litigation since 1987 surrounding the westside, or northern spotted owl, forests in the Pacific Northwest. In most instances, the courts have agreed with our position. In a 1991 ruling, Judge Dwyer concluded that "the most recent violation of the National Forest Management Act exemplifies a deliberate and systematic refusal by the U.S. Forest Service and U.S. Fish and Wildlife Service to comply with the laws protecting wildlife."

Litigation is not entered into easily, especially by community organizations such as ours. We not only understand the kinds of polarization that have been occurring during the past ten years over natural resource issues, but we have lived through the effects of this polarization in our personal lives. I have been the target of angry outbursts at public meetings. I have also been the target in the past of telephone death threats and newspaper articles which have called me an eco-Nazi. I have become close friends with people on all sides of the issue, have gotten to know intimately various views, and in short, my life has been totally absorbed by the so-called timber wars for far too many years.

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In 1994, when the Clinton Forest Plan was proposed, Pilchuck Audubon Society reviewed the Plan carefully, using the resources of many biologists within our organization. Although we found the Plan took a big step toward protecting ancient forest ecosystems, we felt that too many plant and animal species were still at serious risk of extinction under the Plan.

Very reluctantly, we joined in litigation against this Plan. This time, Judge William Dwyer ruled against us, against the timber industry and for the Forest Service. But as you probably know, although Judge Dwyer ruled that the Plan was adequate, he also stated that it was barely adequate, and that there were a number of factors that could cause him to revisit his decision.

These factors included two very specific processes mandated under the Plan.

--In discussing the untested process of the aquatic conservation strategy the court said that if the plan as implemented is to remain lawful, the monitoring, watershed analysis and mitigating steps called for by the Plan must be faithfully carried out, and adjustments made if necessary.

--The court recognized that monitoring is central to the Plan's validity. If it is not funded, or not done for any reason, the legality of the Plan will have to be reconsidered.

The group of plaintiffs represented by the Sierra Club Legal Defense Fund chose not to challenge the Dwyer ruling in the Ninth Circuit. Instead, we, and the great majority of other conservation organizations in the affected area decided that it was in our best interest, our communities' best interest, and the forest ecosystems' best interest to make the Plan work. From the time that the Record of Decision was signed until the logging rider became law, I worked through the Western Ancient Forest Campaign to establish a region-wide network to help educate citizens about the Clinton Plan and how to work cooperatively with the various agencies involved in Plan implementation. I urged local conservationists to join one of the 12 Provincial Advisory Committees set up under the Plan to give advice to Federal Agencies, and I was selected to serve on the Western Washington Provincial Advisory Committee. Even before these committees were formed, I worked with federal, state and county agencies, as well as Native American tribes, to set criteria for prioritizing watershed restoration projects.

Although there was an understanding that the Plan would take a while to be implemented properly, there was also a feeling of optimism that we were finally headed in a direction of cooperation instead of continuing polarization. We felt that the decade or more of our timber wars were finally coming to an end.

Unfortunately, in the year since the logging rider began, we have seen the momentum for the Plan, which was off to a slow but fairly good start, grind to a halt. Last year's rider has had a devastating effect on the Plan ecologically,

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psychologically and socially. The land has been hurt by the rider, the Forest Service has once again lost their way through the mixed signals sent by this Congress, and the communities again face great uncertainty.

The confusion wrought on all fronts has led to another breakdown of the agency, and any trust that had been tenuously built up since the Record of Decision for the Plan was signed has been torn apart.

Since the timber rider contained three components--Section 318 sales, Option 9 (or Clinton Forest Plan) sales, and Salvage Sales, I will give examples of how each component is negatively affecting the implementation of the Plan, and hurting the forest ecosystem.

1. Section 318 Sales. The Section 318 old growth sales have had the most dramatic effect on the land, and on the community in the Pacific Northwest. The old growth which has been or will be logged in Washington State and Oregon under this part of the rider was assumed to be protected under the Clinton Plan, and scientists who gave viability ratings for various threatened and endangered species took this protection into account. Furthermore, renewed logging of old growth, without the riparian buffer and other protections and mitigations under the Clinton Plan, have angered people throughout the Pacific Northwest and the United States, and protests in and polarizations of communities have increased well beyond the worst tensions of the late 1980's.

In addition, the concern for loss of the marbled murrelet old growth habitat severely restricted the effort to work cooperatively on the Plan. Because of my Audubon Chapters' concern that inadequate information was available on many of these murrelet sales, we, along with many other groups, instituted a program to train citizens to survey for marbled murrelets. This costly and time-intensive program was a necessary insurance policy, which we took out and committed to before we knew how the Ninth Circuit Court would rule. While waiting for the court ruling, middle class, mainstream citizens such as myself were searching our consciences to see whether we would be willing to be arrested for our beliefs should these sales be logged and the marbled murrelet head toward extinction. We heard from so many people--bankers, businessmen, lawyers, architects, teachers, doctors--seniors and youth--that we began holding civil disobedience training and discussing our plans with federal, state, county and city law enforcement officers should the need arrive. This was a very difficult decision for us to make, but the loss of our democratic rights and the egregious violations to the land caused us to discuss this unprecedented action.

We did not blame the Forest Service for initiating the negative effects on the land, and on the Plan, but we no longer had the same feelings and energy for cooperation and neither did they. We noticed throughout the Region that substantive issues were no longer being discussed at the Provincial Advisory Committees, and that meetings were being held further and further apart.

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We were pleased and relieved at the Ninth Circuit Court of Appeals ruling on the murrelet. We thank the court for ruling on the side of science; we wish Congress would do the same. This ruling, however, did not solve all of our problems, as the rider still requires the Forest Service to provide "like and kind" trees as substitute volume. We may be trading one old growth sale for another old growth sale--and the Forest Service says that they cannot provide this volume without violating the Clinton Forest Plan. There certainly is no real gain in this. In addition, there are many old growth sales in murrelet habitat that have never been surveyed for murrelets, including 1,000 acres alone on BLM land in western Oregon. This old growth has already been logged, or will be logged by the end of this season.

Since the courts ruled that the Section 318 component of the rider applied to all sales between 1989-1995 throughout all of Washington State and Oregon, other old growth on both westside and eastside forests also continues to fall.

2. Clinton Plan, or Option 9 Sales. This component of the rider affects all sales which had decision notices signed after July 27, 1995 through December 31, 1996, in the public lands managed by the Forest Service and Bureau of Land Management under the Clinton Plan. Although the rider does not tell the federal agencies that they cannot follow the Plan, it does allow the agencies to short-circuit many of the planning processes. Further, citizens are denied the right to file administrative appeals, and any legal challenge for Option 9 sales must be made within 15 days of sale advertisement. Although a legal challenge, as I stated, can theoretically be mounted, the court has basically ruled that no environmental laws can be used as a basis for this challenge, which makes this an empty gesture on the part of this Congress.

Violations of standards and guidelines of the Clinton Plan have become, in some cases, rampant. Citizen rights under our democracy to have a say on how our public forests are managed have been taken away from us. Cooperation at the Ranger District level can no longer be anticipated. Opportunities to work out differences and mitigation have been lost. There is no longer any need for the federal agencies to pay any attention to citizen concern because there is no clout behind our efforts.

Consequently, protecting the forest ecosystem and following the standards and guidelines of the Plan have taken a back seat to the rush to provide timber sales. Staff downsizing and budget cuts, as well as demoralization of agency personnel, mixed signals from Congress and often the Forest Service itself, has created the atmosphere in the agencies of isolating them from the very communities that they are supposed to serve.

In the Washington State National Forests which I know best, the worst violations are coming from the Gifford Pinchot National Forest. Currently this National Forest plans to expand their sale program by 33% and overshoot their timber target by nearly 14 million board feet. Over two thirds of the sales are within key watersheds, areas designated to provide high quality water to local

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communities and to protect and restore salmon populations. In addition, the Forest has proposed logging and roadbuilding through three huge roadless areas.

Other violations are occurring throughout these forests. One challenge to the Clinton Plan sales was made by the Sierra Club Legal Defense Fund on behalf of Oregon Natural Resources Council and Umpqua Watersheds, Inc. The four sales are located in a pristine watershed that provides important fish habitat. However, the sales were planned without any input from fisheries biologist. Although, in the final stages of sale planning, a forest fisheries biologist concluded that proposed logging would severely degrade the aquatic habitat and make it inhospitable to fish.

The timber rider provides for judicial review of Option 9 sales for arbitrary and capricious decision-making. It was on this basis that these sales were challenged. However, in December of 1995, Judge Hogan dismissed the challenge and ruled that (1) Option 9 sales offered since the logging rider's enactment cannot be reviewed by the courts; and (2) Option 9 sales that were offered before enactment of the timber rider must be awarded, released, and logged under the original contract terms.

There are other processes put in place by the Clinton Plan, the most significant of which is Watershed Analysis, that are being done with greater inadequacy and with less and less public involvement as time passes.

3. Salvage Sales. Finally, the salvage component is also seriously affecting the viability of the Plan. I give one example. The 2-million acre Mt. Baker-Snoqualmie National Park is the largest recreation forest in Washington State and Oregon and extends from the Canadian border to Mt. Rainier National Park in Western Washington. Two weeks ago I received a notice from the Forest Service that they were planning a salvage sale called Canyon Salvage in a very important ecological area. Let me explain this area and what the Forest Service may do. Under the Clinton Plan designation, it is in the Independence Late Successional Reserve and is a key watershed. Canyon Creek is a tributary of the Stillaguamish River, a very important area for threatened coho salmon. The planning area is 1300 acres, although only 400 of these acres have 50% or more defoliation from the hemlock looper, an insect rarely seen any more in old growth forests. The Forest Service says they will build no new roads. However, in order to access and remove the defoliated trees, most of which are along the riparian areas of Canyon Creek, they will have to log a great number of live, healthy old growth cedar trees, which are not affected. They will have to log through and destroy the Forks Trail, a favorite hiking trail for families in nearby towns. They will be logging in an area of very steep and unstable soils.

They will NOT be enhancing the old growth, or late successional reserve, ecosystem. Currently, only 40% of the Independence Reserve is in late successional forests--this area has been heavily logged in the past--the cutting of green old-growth cedar and defoliated smaller and younger hemlock will bring this percentage down even further.

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If a Decision Notice is signed on the Canyon Salvage Sale before December 31, 1996, then citizens such as myself will have no rights of administrative appeal and no recourse under the law. Instead of our normal conversations and negotiations with the Forest Service on this proposed sale, we have been left to spending our time taking interested members of the public on field trips to the area, sending out action alerts to our members, and hoping that one of our Chapters' Congressional Representatives will take up our cause. None of this is helping our relations with the Forest Service. This is a bad and very unnecessary sale.

In summary, the logging rider may have irrevocably undermined the Clinton Forest Plan, although there is still an outside chance to get it back on track. It has surely devastated the land, decimating salmon spawning streams and important old growth habitat for many threatened and endangered species. It has provided less certainty to the communities. And the worst is still to come. Instead of peace, even reluctant peace, polarization and anger have returned to the Pacific Northwest. Only a total repeal of this rider now can send the signal to the Forest Service, and to the American people, that Congress really does not want to destroy forests and destroy communities. Instead, repeal of the rider would show that Congress is committed to making a hard-fought, region-wide ecosystem management plan work for the long-term stability of Northwest ecosystems and communities.

**Testimony Before
The
House Resources Subcommittee
On
National Parks, Forests and Lands**

**Presented By
James C. Geisinger, President
Northwest Forestry Association**

July 23, 1996

Mr. Chairman, for the record my name is James Geisinger. I am the President of the Northwest Forestry Association (NFA), a trade organization representing the forest products industry, large and small companies, in the Pacific Northwest. All of our members rely on the forests of Washington and Oregon to supply their manufacturing facilities with the raw material necessary to make a variety of finished products ranging from lumber and plywood to pulp and paper. Many of our members have historically been entirely dependent on timber sold from the federally owned forest lands in the region. Consequently, our members have been directly impacted by the Clinton Administration's failed forest policy, especially the President's Northwest Forest Plan which is the subject of this hearing.

I am qualified to be testifying before this subcommittee here today based on my first hand knowledge of the issues surrounding the management of federal forests in the Pacific Northwest. During the 80s and 90s, I was involved in the debate over Wilderness bills, Wild & Scenic River designations, new forest plans, congressional forest management studies and numerous lawsuits. It was for these reasons that I was one of the participants at the President's Forest Conference held on April 2, 1993 in Portland, Oregon.

History of the Forest Product Industry's Predicament

The situation facing the timber industry in the Pacific Northwest is a result of several factors. First, the courts were used successfully to halt any new timber sales in the forests inhabited by the spotted owl. In an attempt to respond to the court injunctions, the federal land management agencies prepared new management plans. Also during this period, Congress conducted a scientific study of the management options for the region. Finally, as a result of the President's Forest Conference, another management plan was prepared, known as Option Nine, or the President's Northwest Forest Plan.

The President's Northwest Forest Plan was prepared by a hand picked group of scientists, who were given a very narrow set of parameters to develop a plan. They did their work in three short months, hidden from public involvement and scrutiny. As a result of a lawsuit filed by the forest

products industry, the Administration was found to have violated the Federal Advisory Committee Act (FACA) in preparing the plan.

When the plan was announced in July 1993, Secretaries Babbitt and Espy committed to providing 2 billion board feet of timber that year and over time ramping down to the 1 billion board feet per year called for in the plan. The following year the Administration told Congress that it would ramp up the timber sale program, meeting the 1 billion board foot annual target by the end of Fiscal Year 1997. The fact is that during the past two years, however, very little timber has been sold due to the incredible bureaucratic gridlock imposed by the President's Northwest Forest Plan, even though the injunction has been lifted.

Overview of the President's Northwest Forest Plan

In April, 1994, the Clinton Administration formally adopted their plan to resolve the debate over how to manage federal forests in the Pacific Northwest. The Administration's draft plan which was published in July, 1993, received over 100,000 public comments. In December, 1994, one federal court judge ruled that the President's Northwest Forest Plan was legal.

The Plan prescribes management of 24 million acres of some of the world's most productive forests, with less than 3 million acres or 12 percent being available for any regulated timber harvesting. Twenty-one million acres or 88 percent, is preserved in wilderness, old-growth reserves, riparian areas, administrative withdrawals and experimental areas. See Exhibit #1. If the plan were true ecosystem management, it would manage the entire landscape with the goal of maintaining and improving forest health, ecosystem diversity and economic stability.

The Plan dramatically reduces the federal timber supply by 78 percent from historic sustained levels. See Exhibit #2. It is also a major reduction from new Forest Management Plans prepared in the late 1980's as directed by the National Forest Management Act (NFMA). The federal timber program has historically been 40 percent of the region's wood supply, directly employing 100,000 people at family-wage jobs. Forest product manufacturers spend millions of dollars in local communities on services, supplies and taxes. Without federal timber sales, entire towns fall prey to closure as their single source of employment and tax revenue vanishes. It was this

extreme situation and economic distress that led the President to convene his Forest Conference in the first place.

Finally, the President's Northwest Forest Plan created a new bureaucracy which includes new planning and oversight teams, above and beyond what is required by the National Forest Management Act, Federal Lands Policy and Management Act, National Environmental Policy Act, Endangered Species Act and other laws. Attachment #3 provides a substantial explanation of where this Administration's new bureaucracy has gone awry. Prior to this Administration, there was a clear line of responsibility in the Forest Service and BLM organization structures from Washington, D.C. to management activities on the ground.

Today, the White House is represented by the Office of Forestry & Economic Development. Ecosystem management policies are promulgated by the Regional Ecosystem Office. Its policies are implemented by the Regional Interagency Executive Committee that receives advice from the Intergovernmental Advisory Committee. The Regional Interagency Executive Committee then relies on a dozen Provincial Interagency Executive Committees to implement its policies in twelve subregions of the northwest. Of course, the dozen Provincial Interagency Executive Committees receive advice from a dozen Provincial Interagency Advisory Committees. After policies, directives and even specific project level activities are reviewed, discussed and massaged by these committees, Forest Supervisors and BLM District Managers are told what to do. One needs only to look at this chart to understand why the performance under the President's Northwest Forest Plan has been so dismal.

This new bureaucracy has resulted in increased inefficiencies. Exhibits #4 and #5 display Region 6 of the Forest Service's historic timber sale programs compared to number of employees and annual budgets. As you can see, the budgets and employees has only slightly reduced while the timber sale program has been dismal.

Finally, even with these added layers of checks and balances, the agencies are faced with daily micro-management and second guessing by the White House and Department officials. To my

knowledge. never before has the White House been involved in the daily decisions on individual timber sales or timber sale units, which is now common place under the Clinton Administration.

Administration's Performance Under the President's Northwest Forest Plan

The President's Northwest Forest Plan establishes a goal to produce a "Probable Sale Quantity (PSQ)" of 1.053 billion board feet each year, from Forest Service and BLM lands in the range of the northern spotted owl. Ten percent of the PSQ is to be non-sawlog material referred to as "other wood" in the Plan. Therefore, the Plan should produce 0.948 billion board feet per year of sawlog material that mills need to operate.

For a variety of excuses, the Administration has told Congress that it would take a few years to ramp up to the full PSQ level. Most of the excuses relate to new bureaucracy and procedures implemented with no basis in law or regulation. All that being said, the Administration promised to sell 60 percent of the PSQ in Fiscal Year 95, 80 percent in FY96 and 100 percent in FY97.

They have stated that their FY95 promise was met, but a closer look shows that they were short on the sawlog portion. Timber Data Company of Eugene, Oregon is a private consulting firm that tracks every federal timber sale sold by purchaser, volume, price, bid & termination dates, harvest activity etc.... They are in the business of providing this information to companies, agencies, Congress and the media. A review by Timber Data of the Administration's accomplishments in FY94, FY95 and FY96 through June 30, shows a less than satisfactory level of accomplishment. See Exhibit #6.

The first difference is that the Administration takes credit for volume "offered" which is different than "sold and awarded." Some sales are offered (advertised) but withdrawn and/or never awarded after bids. Other sales may not receive any bids because the minimum advertised rates were too high. All these sales are counted by the Administration but do not provide any logs to mills or meet the President's promises to communities.

The second difference is because the Administration takes credit for as much as 30 percent of

their accomplishment being non-sawlog material. This includes fuelwood, post and poles and some pulpwood, but not anything that could be run through a sawmill. This is a far cry from the 10 percent "other wood" level projected in the Plan.

Almost a year ago, the President signed into law the Rescissions Bill that included a provision, Section 2001(k), which released previously sold timber sales. The total volume covered by this section - about 650 million board feet sold over the last five years - is slightly over half of what the President's Northwest Forest Plan promised every year. To date, only about 350 million board feet of these old sales have been released. It is also interesting to note that most of these sales were assumed to have been already harvested in the biological assessment for the President's Northwest Forest Plan.

These timber sales are critical to the region's forest products companies. Of the companies holding contracts, about a dozen have closed mills while awaiting the release of these sales. This volume sold in prior years could go a long way toward mitigating the economic hardship caused by reductions in the federal timber sale program, while helping the Administration meet its promise to timber dependent communities in the Pacific Northwest.

The Consequences of the Administration's Failed Northwest Forest Plan

The future of the forest products industry in the Pacific Northwest rests with a sustainable, predictable supply of timber sales. It is clear that the Clinton Administration has been unwilling and unable to meet this need. As a consequence, federal timber sale volume under contract is at an all time low. Historically, a two-year supply of volume under contract was considered a minimum for efficient management, to accommodate changes in the market, and to secure capital for continued operations and investments in facilities and equipment. Mills and other business that rely on an adequate supply of timber have difficulty securing financing for these activities from lending institutions without demonstrating future viability through adequate volumes under contract.

Exhibit #7 shows the relationship of volume under contract and number of operating mills in the

Pacific Northwest. As volume under contract declined due to court injunctions and failure of the Administration to fulfill promises for new timber sales, the number of operating mills in the region also declined. Without a dramatic increase in the federal timber sale program, at least to levels promised under the President's Northwest Forest Plan, the region will continue to see the closure of mills and the loss of logging and allied service sector jobs in our rural timber dependent communities.

Need For Congressional Intervention

Clearly, the President's Northwest Forest Plan is not working, the Clinton Administration's performance record relative to the promises it made to northwest communities, has been abysmal and therefore Congress must intervene.

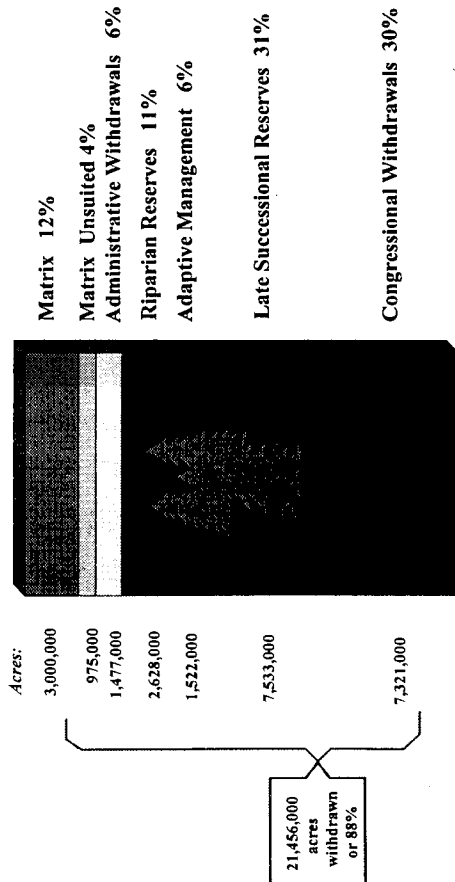
The first thing that Congress could do is once again direct the Clinton Administration to release the existing sold timber sale contracts as directed by Section 2001(k) of the Rescissions Act. Second, Congress must re-establish a federal timber sale program that would begin sawlog timber flowing to Pacific Northwest mills. Third, Congress must re-establish a forest management planning process that returns decisions to experienced professionals and local concerned citizens instead of multiple layers of bureaucrats and political appointees.

The most important point to remember is just because a federal district court judge has decided that the President's Northwest Forest Plan is legal, does not mean it is the only legal alternative. The court had issued an injunction blocking new timber sales based on violations of procedural requirements in NFMA and NEPA. Given a clear mandate and the flexibility to find workable solutions, it is my opinion that the Forest Service and BLM resource management professionals could develop a forest management plan that would protect the environment and provide a reasonable, timber supply for the region's timber dependent communities.

This concludes my prepared remarks. I would be happy to answer any questions you might have. Thank you.

Exhibit #1

President's Northwest Forest Plan



Source: FSEIS & ROD



Pacific Northwest Federal Forests
Within Spotted Owl Range

Exhibit #2

Allowable Harvest vs. Accomplishments

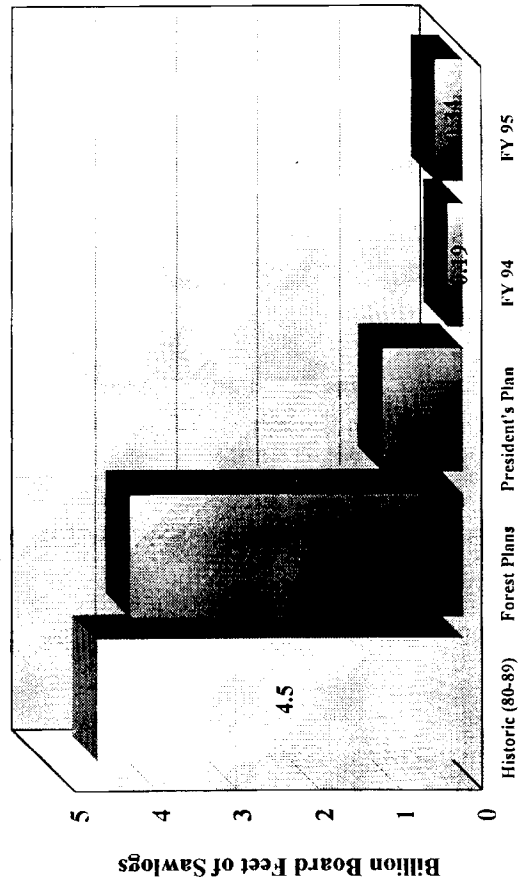
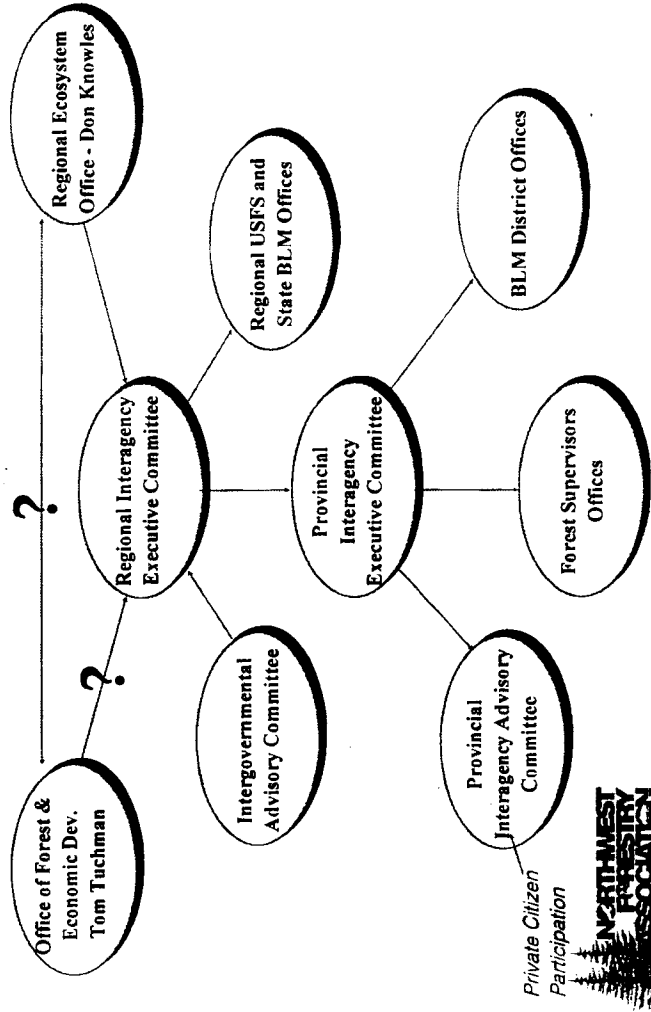


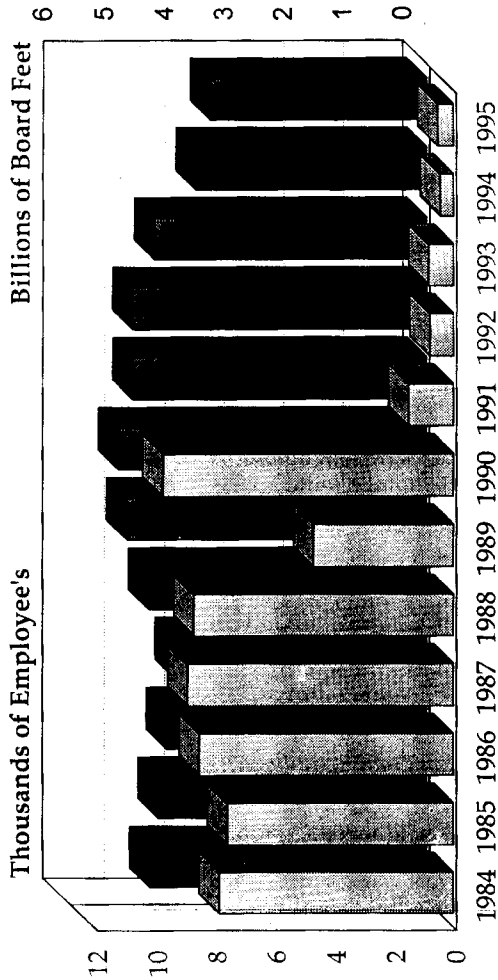
Exhibit #3

Organizational Chart



Exh. #4

Volume Sold in Relation to Number of Employee's



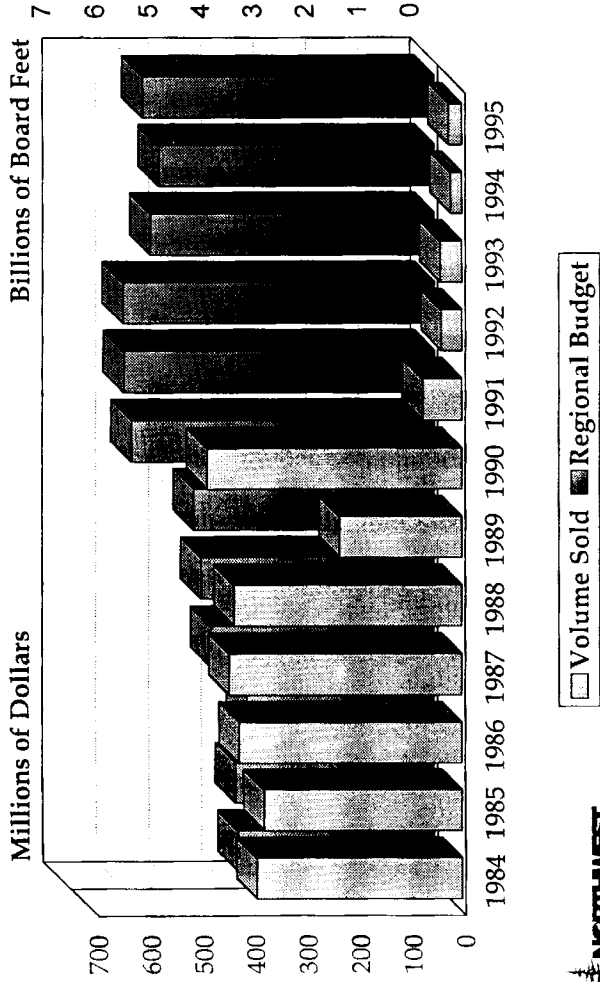
Volume Sold Number of Employee's



USFS Region 6

Exh 1#5

Volume Sold in Relation to Annual Budget



USFS Region 6

Exhibit #6

**Goals and Accomplishments
Under The
President's Northwest Forest Plan
(Forest Service and BLM)**

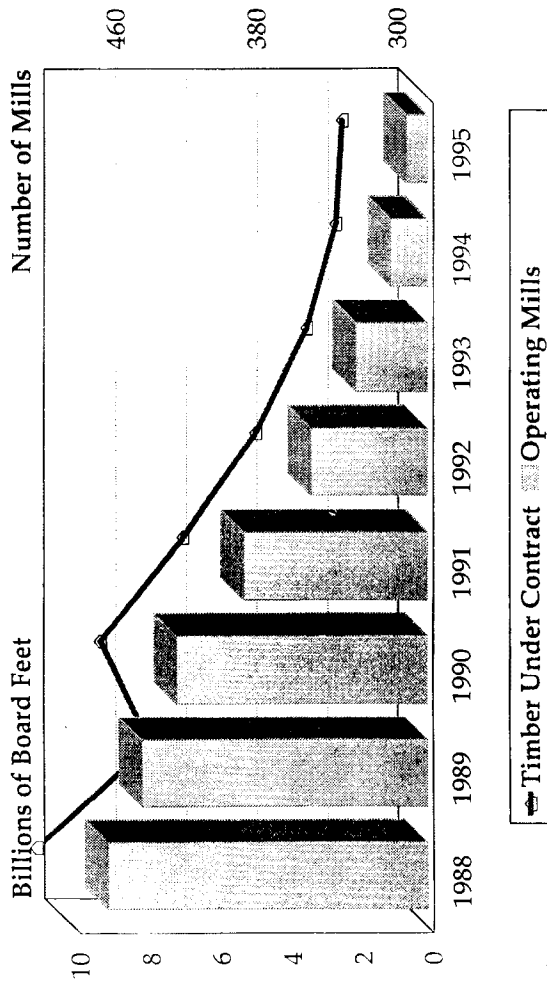
	<i>Goal</i>	<i>Accomplishment*</i>
Probable Sale Quantity (PSQ)		
Includes 10% other wood	1.053 BBF/year	
Net sawlog PSQ (less 10% other wood)	0.948 BBF/year	
 FY94 Net sawlog PSQ		 0.187 BBF
 FY95 (60% of PSQ)	 0.632 BBF	
Net sawlog PSQ	0.569 BBF	0.336 BBF
 FY96 (80% of PSQ)	 0.842 BBF	
Net sawlog PSQ	0.758 BBF	0.393 BBF (thru 6/30/96)
 FY97 (100% of PSQ)	 1.053 BBF	
Net sawlog PSQ	0.948 BBF	

BBF = Billions of Board Feet

*Source: Timber Data Company, Eugene, OR

Exhibit #7

Volume Under Contract vs. Operating Mills



Source: Ehinger and Associates

FINAL

STATEMENT OF
JAMES R. LYONS, UNDER SECRETARY
NATURAL RESOURCES AND ENVIRONMENT
U.S. DEPARTMENT OF AGRICULTURE

Before the
Subcommittee on National Parks, Forests and Lands
Committee on Resources
United States House of Representatives

Implementation of the Northwest Forest Plan

July 23, 1996

MR. CHAIRMAN AND MEMBERS OF THE SUBCOMMITTEE:

Thank you for the opportunity to discuss the Forest Service's implementation of the Northwest Forest Plan. Today, I am accompanied by Jack Ward Thomas, Chief of the Forest Service and Thomas Tuchmann, Special Assistant to the Secretary.

I am happy to report that the economic assistance program of the forest plan is functioning well. The federal agencies are working well together to meet the economic assistance goals of the Northwest Forest Plan while coordinating and working in partnership with communities, local and tribal governments, business, and the public. We are on track preparing timber sales under the Northwest Forest Plan; however, our ability to offer that volume for sale under the plan while meeting the requirements of Section 2001 of P.L. 104-19 and court ordered activities associated with this Act will be difficult.

Background

The Northwest Forest Plan (NFP) is the culmination of an unprecedented effort in public land management to end years of legal gridlock that nearly shut down an entire industry. On April 2, 1993, President Clinton convened the Forest Conference in Portland, Oregon to address the human and ecological needs served by federal forests of the Pacific Northwest and northern California. As a result, the President asked Jack Ward Thomas, then the Chief Research Wildlife Biologist for the Pacific Northwest Research Station, Forestry and Range Sciences Laboratory in LaGrande, Oregon, to lead an interagency interdisciplinary team of expert scientists, economists, and sociologists to assess proposals for management of federal forests in the range of the northern spotted owl. The team produced a report "Forest Ecosystem Management: An Ecological, Economic, and Social Assessment" (FEMAT), assessing in detail ten options.

This report was used as the basis to develop alternatives for the Final Supplemental Environmental Impact Statement on Management of Habitat for Late-Successional and Old-Growth Forest Related Species Within the Range of the Northern Spotted Owl. The FEIS was released in February 1994. A Record of Decision was issued April 1994, which jointly amends the planning documents of 19 National Forests and 7 Bureau of Land Management Districts.

The Northwest Forest Plan applies only to federal lands and does not contain management direction for private or tribal lands.

Implementing the Northwest Forest Plan

Consistent with President Clinton's strong belief that natural resource production and environmental protection are not mutually exclusive, the goal of the Northwest Forest Plan is to provide a sustainable balance between the needs of forest ecosystems and the needs of local and regional economic systems. The plan includes three focus areas: (1) economic assistance 2) forests, and 3) coordination between agencies at the local, state and federal level.

This is truly a revolutionary plan and a new paradigm for forest management.

Economic Assistance

The Northwest Economic Adjustment Initiative (NEAI), a multi-federal agency effort, provides immediate and long-term assistance to people, businesses and communities where changes in the forest industry and federal forest management practices have affected the economic and social fabric of areas dependent on

timber. County payments, which have traditionally been taken from federal timber receipts, are now governed by the special revenue sharing provisions of the Omnibus Budget Reconciliation Act, 1993 (P.L. 104-19).

Each State (Oregon, Washington and California) has a group called the State Community Economic Revitalization Team (SCERT) to coordinate the implementation of the (NEAI). Members of federal, state, local and tribal governments and the private sector work cooperatively on these teams to make effective use of the funds available to help businesses and communities. For instance, Forest Service NEAI efforts include providing technical and financial assistance to displaced timber workers, and businesses and communities through the Jobs In The Woods, Old Growth Diversification, and Rural Community Assistance programs.

Communities, tribes, businesses and individuals submit project proposals to the State Community Economic Revitalization Teams. The team makes an initial effort to determine the most appropriate source of funding for a project and assigns each project to a lead federal agency based on that determination. The SCERTs send forward projects to the lead federal agency and that agency decides how much each project can be funded. In addition the lead federal agency also tries to find partnership opportunities to supplement federal funding. Federal officials on the team make the final decision about which projects will be funded based on local community priorities.

The Regional Community Economic Revitalization Team (RCERT) functions as a forum to discuss issues, to help remove barriers and impediments to implementation of NEAI, to coordinate program delivery and assistance, and to help ensure equitable distribution of funds among the three States. The committee includes representatives from 14 federal agencies and state, local and tribal governments of the region. At the national level, the Multi-Agency Command oversees the implementation of the economic side of the Northwest Forest Plan.

Forest Service NEAI has invested \$12 million in watershed restoration through the Jobs In The Woods (JITW) program and has awarded 300 contracts. Over 99% of the contractors and workers live in or operate their businesses within the affected region. The ecosystem restoration work includes projects such as repairing problem roads, building fish rearing ponds, and controlling erosion through planting vegetation.

Data on the number of workers employed and their wages based on 60% of the JITW contracts awarded in 1995 show 2,225 workers have been employed, 1,010 of whom were displaced timber workers, at an average wage and benefit of \$17.10 an hour. We should have more complete data available late this summer.

Over 219 million dollars of Federal funds were disbursed through the NEAI during FY 1995. The Department of Agriculture accounted for over 71% of the total. Of the Department of Agriculture's share, the Rural Development mission area of the Department was responsible for 83% and the Forest Service was responsible for 17%.

Old Growth Diversification funds are used for projects that add value to existing timber resources and create or retain employment. In Oregon, this program stimulated the investment of \$15.77 for every \$1.00 of agency funding. As a result an estimated total of 943 jobs were created.

Retraining programs funded primarily through the Department of Labor have helped workers stay employed. A computer disc manufacturing plant in Springfield, Oregon, was able to employ 13% of their work force from displaced timber workers who had been retrained through this economic initiative. As a result of demonstration projects within the States of California and Oregon, 110 displaced timber workers were hired and trained. People in this program received certificates of apprenticeship from their respective States and were certified as forest/ecosystem workers. Overall, more than 4,900 job training opportunities have been created in the region, and as of last September more than 81% of those completing training had found employment.

The Rural Community Assistance program of the NEAI helps communities plan for the future. With permanent authority provided in the 1990 Farm Bill, the Forest Service can provide funds and technical assistance to local communities for planning and implementing projects in the plans. Communities find this very helpful in assisting them in local economic diversification efforts. Well planned projects can attract additional sources of funding in both the public and private sectors. It also helps them to identify community development projects that can provide the most good for their communities in the long run.

Forests

National Forests are complex ecosystems. Managing them for a sustainable balance requires considerable scientific and technical expertise. The Northwest Forest Plan applies current science to on-the-ground management. This is done in a number of ways in the plan.

Watershed analysis provides the basic information for managing watersheds. The analysis compares current conditions with potential conditions and identifies management activities needed to maintain or restore the health and capability of watershed ecosystems while producing goods and services. Thus far, the Forest Service has completed 120 watershed analyses (comprising

7.1 million acres) in coordination with other federal agencies such as the BLM, EPA, Fish and Wildlife Service, and National Marine Fisheries Service. The Forest Service is on schedule for these analyses.

In order to provide for consistency in watershed analysis, an interagency guidance document was developed. We believe watershed analysis will prove to be a valuable and necessary tool to provide for efficient resource management and planning. Watershed analysis provides the information necessary for determining suitability of land units for various resource uses, determining project level analysis requirements, and identifying restoration needs and priorities. With respect to wildlife conservation, we are already seeing results. Watershed analysis has shifted the focus to a conservation approach for habitat management for all species. Where watershed analyses have been completed and the streamlined consultation approach has been implemented, consultation under Section 7 of the Endangered Species Act is completed quickly. For example, during the period from August 30, 1995 through May 31, 1996, 102 informal consultations were completed averaging 18 days per consultation. There were 18 formal consultations averaging 46 days per consultation.

In order to sustain forest ecosystems and local economics, the Northwest Forest Plan recognizes the need to reinvest money into these ecosystems. This is accomplished through **watershed**

restoration by improving fish passage, stabilizing land erosion, surfacing roads, revegetating road banks, and reclaiming unnecessary or problem roads. In 1995, 189 miles of anadromous fish habitat were maintained or improved and 1,778 miles of road were treated to reduce erosion and sedimentation, 4,332 acres were revegetated, and 162 acres of land were stabilized using structural or mechanical improvements. While such efforts improve the condition of the land to provide sustainable goods and services for future generations, these projects have also provided immediate employment of displaced workers through the award of 300 watershed restoration contracts.

Though these watershed restoration activities have already produced tangible results, it must be recognized that a response in watershed condition could take years to realize. For example, reduction in sediment production from land surfaces through land stabilization, road stabilization and road reclamation results in immediate improvement of water quality and over time will result in improvement of stream channel systems. It will take a number of years for stream systems to adjust to the reduced rates of sedimentation.

Monitoring is a necessary activity because of the complexity and variability associated with natural systems. Even though extensive research has been conducted to better understand natural systems, it is still not possible to determine the impacts of land management activities on the environment with

certainty. For this reason, we apply practices which we believe will meet our objectives, and then monitor them to determine their effectiveness.

The Northwest Forest Plan has included management areas that build on our monitoring efforts but goes one step further in creating areas for developing and testing new ideas. This is accomplished through partnerships between the public, scientists and land managers. The plan establishes 10 Adaptive Management Areas which operate on the principle of **adaptive management**. Adaptive management means we learn from our actions and change our management when necessary. This requires careful monitoring of the condition and processes of ecosystems as we manage National Forest System lands.

Monitoring is an essential component of natural resource management because it provides information on the relative success of management strategies including land allocations, such as adaptive management areas or late-successional reserves, as well as operating standards and guidelines.

The Northwest Forest Plan covers more than 24 million acres of federal land (including National Parks, National Forests, Wildlife Refuges, and BLM lands) in the range of the northern spotted owl. Approximately 30% of these acres has been set aside for special protection by Act of Congress. The remaining 70% is allocated by the following management direction:

late-successional reserves (30%); adaptive management areas (6%); managed late-successional areas (1%); administratively withdrawn areas (6%); riparian reserves (11%); and matrix (16%). Operating standards and guidelines are identified for each land allocation.

With respect to timber management activities, thinning and salvage activities are allowed in the reserves, however, programmed timber harvest only occurs on land designated as matrix or adaptive management areas, when harvest is in compliance with standards and guidelines designed to achieve conservation objectives. Approximately 19.5 million acres of the Northwest Forest Plan are National Forest System lands, of which 22% is in matrix and adaptive management areas.

The sustainable production of **forest products** is a key part of the Northwest Forest Plan. Northwest Forest Plan estimated a potential timber sale quantity (PSQ) just over one billion board feet per year for the Forest Service and Bureau of Land Management combined. The Forest Service's portion of this volume is approximately 850 MMBF. As forest plans are revised and on-the-ground analysis is completed the PSQ will be revised.

In 1995 the Forest Service planned to offer 454 MMBF and exceeded that volume by offering nearly 500 MMBF. A portion of the excess volume came from Late Successional Reserves and Riparian Reserves as a result of meeting ecosystem objectives through vegetation management. In 1996, the Forest Service plans to offer 610 MMBF;

and in 1997 will offer sufficient volume to meet the full estimated PSQ. We are on track for preparing timber sales under the provisions of the Northwest Forest Plan. . . The time spent working on litigation resulting from Section 2001 (k) of the 1995 Rescissions Act (P.L. 104-19) and the specific requirements of court orders, could impact our ability to offer for sale the targeted level in FY 1996 and FY 1997 according to the Northwest Forest Plan.

Late successional reserves represent a management strategy to provide a strong network of old forests where natural processes function to the maximum extent possible. Reserves help provide a distribution, quantity, and quality of old-forest habitat sufficient to avoid the extinction of associated flora and fauna such as the northern spotted owl. The majority of these areas are existing old forests; however, younger forests are also found in these reserves. These younger forest stands are managed such that they develop old growth characteristics in shorter time frames. A good example of this is found on the Siuslaw National Forest where 5 to 8 year old timber stands are being thinned early in their stand development, reducing the number of trees per acre. This creates more open forest and increases species diversity in the stand which will help move these stands more quickly toward late-successional reserve conditions.

Coordination

The accomplishments we have realized in managing National Forest System lands are the result of taking to heart President Clinton's principle to "make the Federal Government work together and work for the American public." To facilitate this coordination, the Federal agencies have developed the Northwest Forest Plan Interagency Cooperation Structure. Part of this structure facilitates the Northwest Economic Assistance Initiative that I described earlier, the other part of the coordination structure is in place to facilitate forest ecosystem management.

Unlike the State Economic Assistance teams, the interagency ecosystem management committees are advisory and chartered under the Federal Advisory Committee Act. The interagency groups were established by Memorandum of Understanding. The Interagency Steering Committee (ISC) is based in Washington D.C. and includes representation from the subcabinets of the Secretaries of the Interior, Agriculture, and Commerce and the Administrator of the Environmental Protection Agency, and it establishes overall policies for the forest plan. The Regional Interagency Executive Committee (RIEC) serves as the senior regional body coordinating and implementing the Forest plan. Advising the RIEC is the Intergovernmental Advisory Committee (IAC), ensuring a

forum for states and tribes. The Regional Ecosystem Office (REO) provides independent recommendations and scientific, technical and other staff support to the REIC. Staff of the REO are on loan from federal agencies involved with the plan.

The Northwest Forest Plan area is divided into 12 provinces with distinct land, ecosystem, and climatic qualities. One advisory committee is included in each province. There is one Provincial Interagency Executive Committee which includes federal agency officials who oversee the management of public lands in those provinces. There are 12 Provincial Advisory Committees (PAC) which have representatives from the federal, state, county, and tribal governments, the timber industry, environmental groups, recreation and tourism organizations, and up to five other public-at-large members.

As a result of these advisory ecosystem committees, there have been over 300 people involved in advisory meetings concerning the Northwest Forest Plan. In addition, the ecosystem committees have made a major effort in the past two years to develop consistent natural resource data among all agencies. Basic standards have been developed for vegetation, fisheries, and hydrology. Working in partnership with other agencies and the public, many accomplishments have been made. Some of these accomplishments are the completion of a revised Interagency Watershed Analysis Guide, streamlined consultation pursuant to the Endangered Species Act, the distribution of over 29 million

dollars of economic assistance through the Community Economic Revitalization Team, an interagency monitoring plan, and the development of a strong linkage among the existing State Rural Development Councils and Community Economic Revitalization Teams.

Conclusion

As the Northwest Forest Plan is implemented, natural resources are being managed differently than ever before on Federal lands in the range of northern spotted owl. The Forest Service is working in partnership with communities, local and tribal governments and other government agencies in nearly every facet of implementing this plan.

This is not an easy task. We feel we have made significant progress in meeting the goals set forth in President Clinton's historic conference and encompassed in the Northwest Forest Plan -- of supporting people and communities during a period of economic transition, providing for sustainable forest products, protecting and restoring the environment, ensuring that federal agencies work together as one government, adhering to our nation's laws and utilizing scientifically credible research in our decision making.

This completes my testimony. I would be happy to answer any questions you may have.

**Statement of Nancy K. Hayes
Chief of Staff and Counselor
Bureau of Land Management, U.S. Department of the Interior**

**before the Subcommittee on National Parks, Forests, and Lands
Committee on Resources, U.S. House of Representatives**

On Implementation of the Northwest Forest Plan

July 23, 1996

I appreciate this opportunity to bring the Subcommittee up-to-date on the Bureau of Land Management's (BLM) implementation of President Clinton's Northwest Forest Plan. The Plan set high goals for the Federal agencies -- to protect the viability of ecosystems and wildlife while protecting the economic viability of resource-dependent communities -- and the BLM has worked very hard to meet those goals. We hear from our customers that we're doing a pretty good job. We always strive to do better.

In preparing for today's hearing, we recalled the context in which the Forest Plan was created. That context was gridlock. The first goal of the Forest Plan was to put an end to the gridlock. And it did.

Little more than three years ago the Pacific Northwest and northern California were deadlocked in an emotional, polarizing debate over how to manage the region's Federal forest lands. Many logging and sawmill operations had ground to a standstill because of numerous Federal court injunctions banning timber harvest from Federal lands in the region of the northern spotted owl -- western Oregon, western Washington, and northern California. In the three years before the Forest Plan came out, the BLM had been under multiple court injunctions; our low point was in 1994, when the BLM was able to offer only 14.4 million board feet of timber. President Clinton pledged to put an end to this gridlock, and he did.

The President's Forest Plan established a blueprint, a science-based, legal, and balanced forest management plan that provides for both economic opportunity and protection of the environment through five fundamental goals. In June of 1994, just two months after the Plan's Record of Decision was adopted, the Federal court injunctions banning timber harvest from Federal lands were lifted. Timber sales in the region of the northern spotted owl were once again prepared and offered and timber was harvested. Earlier this year, the President's Forest Plan was upheld by a Federal appeals court.

The President created the Northwest Forest Plan to resolve intense disputes about use of the public forests. Individuals on both sides of the issue were driven by passionately-held beliefs, and the compromise reached in the Forest Plan did not please every interested party. However, the Forest Plan has had many successes -- retraining dislocated timber workers, providing a stable, sustainable supply of timber, protecting wildlife habitat, and collaborative Adaptive Management Area planning.

Let me now turn to specifics of the BLM's implementation of the Forest Plan. In so doing, I am reminded that the Forest Plan concerns itself with living things -- people, trees, fish, and wildlife -- and is therefore a process, not a result. We measure our accomplishments, past, present, and future, against the Plan's five fundamental goals.

Goal #1. Support the region's people and communities during a period of economic transition.

From the start, the President made clear his goal was to relieve the paralysis that had gripped timber-dependent communities in the Pacific Northwest during the gridlock. To help these communities diversify their economies, the President developed a five-year, \$1.2 billion economic assistance package. It has awarded millions of dollars in grants and loans to stimulate business growth and economic development in rural communities in Washington, Oregon, and California,

and to develop and improve community infrastructure, including water systems and waste treatment facilities.

The BLM plays a small but vital role in the economic assistance package. This is the third year that the BLM has managed its Jobs-In-The-Woods (JITW) program, in which participants learn new job skills while restoring the environment. In addition to the BLM, JITW programs are also run by the U.S. Fish and Wildlife Service, the Bureau of Indian Affairs, and the U.S. Forest Service. The total JITW program is only 14 percent of the economic assistance package, and it is the only part of the package in which the BLM is involved. Its goal is to develop a local pool of workers skilled in forest ecosystem management that can successfully compete for future contracting opportunities in the region. In fiscal year 1995, the BLM in Oregon spent over \$9 million to sponsor JITW demonstration projects.

I would like to give you my personal perspective on the JITW program. During a trip to Oregon last year, I went out to the Sweet Home JITW site. The workers I talked with were very enthusiastic about working on JITW watershed restoration projects. They do forest thinnings to enhance stand health and productivity, as well as to improve structure and diversity for wildlife. Sediment reduction projects such as road surfacing and culvert redesign and replacements are making significant improvements to many areas. To give some protection for young fish and provide spawning habitat, we are changing streamside conditions which will provide future stream structure and shade and increase stream diversity.

Goal #2 Provide a sustainable timber economy.

Let me assure the Subcommittee that the BLM is meeting its commitment to offer timber sales under the Northwest Forest Plan. In 1994, the BLM in western Oregon made a commitment to ramp up to offering the full allowable sale quantity under the Western Oregon Resource Management Plans. In fiscal year 1995, we committed to offering 118 million board feet that met the standards and guidelines of the Northwest Forest Plan; we offered 127 million. In fiscal year

1996, we committed to offer 180 million board feet; to date, we have offered 128 million, and will meet our target. We are committed to offering the full sustainable amount of 211 million board feet in fiscal year 1997.

One of the BLM's customers, the Northwest Forestry Association, recently commended the BLM for not only meeting, but exceeding, its Forest Plan timber sale commitments for FY 1995. The Association's June 14, 1996, "Forest Forum" newsletter further reported, "the BLM is offering timber sales on a regular basis in most districts and is expected to meet or exceed its FY96 target," and declared, "the Bureau should be congratulated for meeting these timber sale commitments." We appreciate this customer's vote of confidence in our ability to meet our targets this year and into the future.

Goal #3 Protect and enhance the environment.

At this point, it is useful to recall the reasons why the record-setting timber harvesting of the mid-1980's came to an abrupt halt in the early 1990's. New information about the harm caused by traditional logging methods -- not only on the northern spotted owl but also on other fish and bird species -- flooded the agencies. The Federal government failed to take that information into account. Then we were sued. Several Federal judges in the Ninth Circuit decided that the BLM and the Forest Service had violated a number of laws; their injunctions shut down the industry. That was the situation facing President Clinton when he convened the Forest Conference, just over two months into his Administration.

At its core, the goal of the Forest Plan was to restore some level of timber harvesting by methods that also protect and enhance the environment. Our first priorities were watershed analysis and expedited consultations in timber sale preparation.

To protect and restore watersheds, the BLM began to do watershed analysis for the entire area, systematically characterizing the aquatic, riparian, and land features within a watershed.

Watershed analysis is critical. Among other benefits it allows the BLM to design timber sales and other projects consistent with sound environmental standards, which in turn improves our ability to withstand legal challenge. The BLM has completed Watershed Analysis on 44% of the western Oregon lands encompassed by the BLM districts, and we anticipate finishing all of it in the next two years.

The BLM developed expedited procedures for consultations with the Fish and Wildlife Service (FWS) on Forest Plan projects in the six western Oregon BLM districts to ensure protection for threatened or endangered species or critical habitat. Under these expedited procedures, the districts rapidly completed consultation on all FY 1995 projects, have already finished 80 to 90% of the FY 1996 projects, and are hard at work on FY 1997 projects. These expedited procedures cut our consultation time by more than half -- the agencies are now receiving reports for informal consultations in 17 days, and biological opinions for formal consultations are done in 43 days. This is a vast improvement over the three to four months that consultations routinely took before the Forest Plan was implemented.

Our procedures were also used as a prototype for the May 31, 1995, interagency process signed by National Marine Fisheries Service (NMFS), the Fish and Wildlife Service, the Forest Service, and the BLM.

Goal #4 Ensure Federal agencies work together as one government.

The President directed the Federal regulatory and land management agencies to work together in carrying out the Forest Plan. This order to the agencies -- to work better together -- was unprecedented in a region as large as that covered by the Forest Plan. But we did it, and things are working better than we hoped.

The President's direction resulted in the agencies coming up with different ways of learning to talk to each other, and doing it quickly. Some new positions were added to keep this

unprecedented effort on track, but most of the faces behind the Forest Plan are familiar ones -- working better because of the President's direction.

Goal #5 Adhere to our nation's laws.

In 1990, the BLM was not meeting all applicable environmental laws. In December of 1994, Judge Dwyer found that the Forest Plan met the requirements of not only the environmental laws but also laws addressing the need for timber. Just last month, Federal District Judge Thomas Penfield Jackson of the District of Columbia ruled that he was deferring to Judge Dwyer on the Forest Plan. Legally, we're sound.

Before I conclude my testimony, let me address for a moment some of the concerns you may be hearing.

You may have heard concerns about the Adaptive Management Areas created in the Plan, and the amount of timber volume coming from those Areas. These Areas were a new and challenging concept for us. What we intended to do was to provide a forum for partnerships to exist, and, in concert with our partners, create new kinds of innovative forest management. And, as in all new programs that are bold and challenging, we have been learning as we go, and finding ways we can improve. In our Applegate Adaptive Management Area in Southern Oregon, we have had some successes. Recently, this Adaptive Management Area was the site of the Thompson Creek Timber Sale, a sale of about 7 million board feet that was not protested by the environmental community and that received widespread public support. My point is that the Adaptive Management Areas can work -- but success depends on the dedication and persistence of the local partnership.

You may have heard some concerns about the size of the buffers we placed along rivers and streams. I understand that concern, but what we had in the Northwest regarding the ongoing

threat to salmon, and several other species, was a train wreck waiting to happen. This was our attempt -- and a very critical one -- to avert the train wreck. The beauty of those buffers is that we can adjust them -- and have -- on a case by case basis, where on-the-ground conditions indicate that adequate species protections can be retained.

You may have heard concerns about the amount of timber set aside in late-successional reserves. While we felt it was important to begin creating reserves with old growth characteristics, we are allowing thinning in the young stands. These stands are not totally off limits.

In summary, then, three points: before the Forest Plan, we had gridlock. After the Forest Plan, we have a future for timber sales in the Northwest. We are proud of that future, and of our success in making it happen. Second, the BLM is meeting its targets for timber volume, and there's some. Third, we are very proud of how well our people in the field have implemented the Forest Plan. We had a general plan, with guidelines and direction set down in print. But it was something we had never done before -- no one had! Our folks on the ground took that Plan and are making it work, amid a lot of distractions and during a very tough time.

Thank you for this opportunity to testify. I would be happy to answer any questions you may have.

OREGON FORESTS AT RISK
FROM THE RESCISSIONS LOGGING RIDER
Public Law (104-19)

July 17, 1996

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Coast Range Association
Eastside Conservation Ontology
Eastside Protection Project
Friends of Breitenbush-Cascades
Headwaters
Inland Empire Public Lands Council
Oregon Natural Resources Council
Siskiyou Regional Education Project
Umpqua Watersheds, Inc.

OREGON FORESTS AT RISK FROM THE RESCISSIONS ACT LOGGING RIDER

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Introduction

Unless President Clinton and Congress act soon, the loss of some of Oregon's most important old growth forests, fisheries, and watersheds will be a part of the environmental legacy of the 104th Congress and the Clinton Presidency.

This report describes 108 environmentally damaging timber sales pending in Oregon under the Rescissions Act Logging Rider (P.L. 104-19). Newspaper columnist Jessica Mathews writes that the rider is "arguably the worst public lands legislation ever." Certainly, it is the worst environmental law passed by the 104th Congress.

President Clinton signed the Rescissions Act Timber Rider on July 27, 1995. Since that date, the most important environmental laws of our nation have been suspended for timber sales on National Forests and BLM lands across the country, including Oregon. The result has been a flood of green (live) tree sales masquerading as "salvage," the logging of rare Ancient Forests, and numerous timber sales which violate basic environmental laws and threaten the ecological health of Oregon's watersheds and fisheries.

At the same time, the threat of clearcutting the "last and best" of our nation's Ancient Forests has revitalized the commitment of citizens to protecting our forest legacy. The bill filed by Rep. Elizabeth Furse (HR 2745) to repeal the rider has 148 cosponsors, more by far than any other environmental bill in the Congress. An amendment by Rep. Furse to end rider funding was defeated in the House by the narrowest of margins, 209-211. Citizens will continue to urge the Members of Congress to restore our environmental laws, and fulfill their responsibility to permanently protect our nation's Great Forests.

It is encouraging, and also alarming, that most of the timber sales that could occur under the "logging without laws" Rescissions Act rider have not yet been cut. There is still time to prevent the worst of the damage from the Logging Rider.

Oregon Forests At Risk

Oregon still has much to lose as a result of the logging rider despite the Ninth Circuit Court ruling protecting sales where the threatened marbled murrelet is "known to be nesting," and a recent directive from Agriculture Secretary Dan Glickman concerning rider sales in roadless areas.

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Proponents of the rider used the threat of "forest health" to justify suspending environmental laws and terminating citizens rights. But a closer look reveals that much of the logging in Oregon is occurring in healthy Ancient Forests that are not susceptible to destructive burns or other "forest health" threats. Because of the rider, many sales under the 1990 Section 318 rider that were halted for environmental concerns have now been released to logging. In addition, sales under the Northwest Forest Plan (Option 9) no longer have to comply with the Plan's requirements, because citizen appeals and court challenges are rendered meaningless by P.L. 104-19.

The salvage portion of the rider is also damaging the Eastside and Southern forests of Oregon. Fire is a natural part of the ecology of the forests of the Eastside and in the Siskiyou. Salvage sales cause the same environmental damage as regular timber sales and do nothing to reduce the risk of fires. In addition, there are many cases where the "salvage" sales contain significant healthy green trees that have been renamed "salvage" so that environmental controls and citizen appeals will not apply.

Monitoring efforts by concerned citizens have revealed that the Forest Service and BLM are not complying with President Clinton's directive to adhere to our nation's environmental laws. We urge the President to take immediate action to cancel the following list of abusive sales pending under the rider in Oregon.

PENDING OREGON SALES TO CANCEL

Bureau of Land Management - Roseburg District

Contact: Francis Eatherington - Umpqua Watersheds, Inc., 541/673-7649

1. Pond View: The National Forest Resources Council used the logging rider to successfully sue for release of this sale. P.L. 104-19 requires that the units be sold at the original bid price of \$353 per thousand board feet, but comparable units sold in 1995 for an average of around \$600/mbf. The loss to taxpayers was thus over \$1 million on this sale alone.
2. Olalla Wildcat: Two out of seven units in this South Douglas Resource Area have already been cut. Ten miles of new and renovated roads will be built over streams and over steep unstable mountain sides with a "high probability of failure." As an added threat to the area, a rock quarry is slated to be built in an intermittent stream as part of this sale. Olalla Wildcat is in a marbled murrelet habitat, and was released for purchase after federal district court Judge Michael Hogan ruled on

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January 17 that all 318 sales must be awarded even if the apparent high bidder was not available.

3. **Broken Buck:** Broken Buck was traded June 12 to replace the Section 318 "Wren-N-Doubt" sale on the Coos Bay BLM district. Local citizens have filed a protest with the BLM over the trade. No modifications were made, despite the fact that some of the Option 9 required retention trees will be clumped on 115% slopes as an attempt to prevent landslides on unstable ground. BLM's soil scientist says this landslide prevention technique is unproven, and could even cause landslides due to blowdowns.
4. **Four Gates:** Four Gates deforests 6 mmbf on 140 acres next to coho bearing streams in the water quality limited watershed of McGee Creek in the coastal range. Most intermittent streams in the Four Gates sale have only 50% of the riparian reserve width required by Option 9, a half site tree length instead of full lengths (90' vs. 180'). No fisheries biologist was involved in the planning or decision on this sale, and BLM did not do the analysis required to change buffers. BLM's own botanist was in opposition to the reduced buffers.
5. **Cobble Creek:** BLM decided to more than double their usual unit size in this sale. Their old limit was 40 acres; Cobble Creek is a one unit sale of 83 acres. A decision to begin cutting on 110 acres was made recently. Six mmbf will be slicked off the mountain in two huge clearcuts, to "reduce forest fragmentation," according to the BLM. NEPA documents, however, did not analyze important environmental issues such as whether large clearcuts are really beneficial to forest health. The National Marine Fisheries Service said that this sale is "likely to adversely affect" endangered fish stocks. Roadbuilding for the sale will cut through the heart of a riparian reserve.
6. **Summit Creek:** Clearcutting will occur on 125 acres in the Summit Creek sale, 95 of which are in a key watershed. A total of 9.5 mmbf will be cut on this Section 318 sale.
7. **Texas Gulch:** Texas Gulch is in a key watershed which drains into the southern portion of the Umpqua River. Nearly 8 mmbf will be logged in this sale, at the unreasonably cheap price of \$268/mbf. Trees with 25" dbh would be downed as a part of this 116 acre clearcut.

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8. Upper Renhaven: Over two million board feet will be clearcut off of 45 acres in a LSR in this sale. Coho salmon and cutthroat trout would be endangered by the logging.
9. Yellow Creek: Trees up to 27" dbh would be cut as a part of this clearcut. Nearly 10 mmbf will be logged in an LSR as part of this sale.
10. Dead Middleman: Close to 10 mmbf will be clearcut on 197 acres in a key watershed near Deadman Creek in the Dead Middleman sale. Winter steelhead in addition to coho and cutthroat fish will be greatly affected.
11. Jeffers Revenge: Clearcutting on 74 acres will generate a net 3.9 mmbf for timber; a total of 4.8 mmbf will be felled in the Jeffers Revenge sale.
12. Millers View: This 63 acre clearcut contains 117 mbf in Sugar pine, which is appraised at a value twice that of Douglas fir.
13. Idleyld
14. Lean Louis
15. Hubbard
16. Old Dillard
17. Coon Creek
18. Samson Butte: These BLM sales are all Option 9 sales. Like other Option 9 sales, citizen appeals and all environmental rules on these sales were voided by the passage of P.L. 104-19, the Rescissions Act Logging Rider. Nearly 27 mmbf will be cut from the seven sales combined, over a 1037 acre spread. For the Lean Louis sale, the Record of Decision (ROD) was for 5 mmbf. However, an amount of 7.3 mmbf will actually be sold as timber.

Bureau of Land Management - Coos Bay

Contact: Lisa Brown - Coast Range Association, 503/758-0255

19. China Creek: A Section 318 sale, the China Creek Sale covers 37 acres, and is a possible nesting site for marbled murrelets.

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- 20. Crazy 8's: Cutting has begun on 73 acres in two units of this 1991 sale. Two more units covering 59 acres are awaiting their turn on the chopping block.
- 21. Daffi Dora: Sixty six acres have already been cut despite the fact that surveys for murrelets were not done in those two units. Unit 3 remains standing, for now.
- 22. Deep Creek: One hundred thirty acres are threatened to be logged in this 1991 sale. Unit 2 alone covers 93 acres of potential murrelet habitat.
- 23. Lobster Hill: Sold in 1991, Lobster Hill only recently lost 166 acres, due to the "logging without laws" rider. One unit remains although it has already begun to feel the effects of the chainsaw.
- 24. N.F. Chetco: Cutting has started on less than a third of the 246 acre N.F. Chetco sale. Cancelling logging on the remaining units could preserve these coastal forests and probable murrelet habitats.
- 25. Twin Horse: Cutting has been initiated on this 1991 sale's 17 acres.
- 26. Ugly Eckley: Units 5 and 6, comprising 69 acres, could become as equally unattractive as the four sections logged before them if this 1991 sale is not cancelled.

Siskiyou National Forest

Contact: Steve Marsden or Barbara Ullian - Siskiyou Regional Education Project, 541/474-2265

- 27. China Left: China Left is a 318 sale, part Late Successional Reserve and Riparian Reserve, and a Key Watershed that was withdrawn prior to the Northwest Forest Plan because the impact of the sale on critical habitat for the Northern Spotted Owl was "unacceptable." The sale logs 530 acres with 274 acres being clearcut and impacts the habitat of Coho salmon and steelhead proposed for listing under the ESA.
- 28. Buckhorn Ridge: This Option 9 sale clearcuts old growth, and will require new road construction.

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29. **BBerry Thin:** This sale logs 4.3 million board feet on steep slopes in Elk River Key Watershed and partially within an LSR.
30. **Waters Thin Salvage:** This sale involves 2.7 miles of new road construction, and logs steep slopes adjacent and upstream of a coho salmon and steelhead spawning stream (Waters Creek). The Forest Service tripled the volume of the sale after the sale was approved, from 4 million board feet to 11.7 mmbf. While tagged a thinning sale, Waters Thin will actually high-grade many of the largest trees, that hold steep slopes and unstable soils in place. The sale doesn't protect buffers along several intermittent streams and will cut large-diameter trees inside a Riparian Reserve, on steep slopes within 50 feet of the stream. This logging threatens water quality and fisheries habitat for two species proposed for listing under the Endangered Species Act, the coastal coho salmon and the Klamath Mountain Province steelhead trout.
31. **Tin Can Salvage:** This sale logs 1,500 mmbf of healthy old growth trees.
32. **Everclear:** This sale logs 1,080 mmbf from the headwaters of Clear Creek, an important salmon stream.
33. **Shasta Costa Thin**
34. **Tip Top Salvage:** These sales will log 3,000 mmbf near a key salmon spawning stream within a Key Watershed and Late Successional Reserve and will enter the Shasta Costa Roadless Area.
35. **Fullhouse:** This Option 9 sale logs 3,200 mmbf of old growth.
36. **Snowcamp Port Orford**
Disease Control: This sale logs healthy old growth Port Orford Cedars, some 400 or more years old, and many more trees from along Road 1376 as a form of "sanitation." However, closing a road which is a major route for pathogen entry would serve the same purpose better and more efficiently.
37. **Bucking Horse:** This sale logs 1,910 mmbf of old growth in a Key Watershed with at least one unit in an LSR.

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Umpqua National Forest

Contact: Francis Eatherington - Umpqua Watersheds Inc., 541/673-7649

38. Watchdog: Portions of this Option 9 sale will be clearcut. Over 7.5 mmbf will be cut from 180 acres, an area which drains into the Clearwater and North Umpqua Watersheds. Cutthroat trout are resident in these streams.
39. Snog: The highest bidder, Huffman & Right, was able to purchase this sale at a price of \$421/mbf. A percentage of the 182 acres will be clearcut to produce 9.2 mmbf, logging which would greatly affect the Dog Prairie Creek and North Umpqua watersheds.
40. Pinestrip: Boise Cascade bid \$545/mbf for this sale along Fish Creek. The 100 acres is planned to generate nearly 5 mmbf, a portion of which will be clearcut.
41. Roughneck: Roughneck, Snog, Pinestrip and Watchdog are all in the drainage basin for the North Umpqua River. These timber sales total 29 mmbf on 630 acres in the headwaters of the river. For these four sales, the Forest Service has ignored the procedures their own regulations require, most notably, examining the potential impacts the sales may have on fish and aquatic habitat. The forest has also ignored the Biological Evaluations of its top fisheries biologist, which show that the clearcuts will harm the Umpqua River cutthroat trout and its habitat. The trout is a candidate for listing under the ESA; fewer than 100 individuals are believed to remain. Logging has begun on Roughneck, and will soon start on the others.
42. Gage: Seventy-eight percent of the 525 acres will be clearcut for 7.7 mmbf of timber. The highest bidder offered \$536 for this sale, which drains into the South Umpqua River. The Gage sale is in a key watershed, a cutthroat trout, coho, and winter steelhead habitat. It is also in an owl take area.
43. Jack: The entire 192 acres of this Late Successional Reserve sale will be clearcut to generate 6.5 mmbf. Jack drains into Elk Creek and the South Umpqua River, and the same species which are threatened in the Gage sale would be affected by the logging in these units.
44. Redlick: Clearcutting has already begun by the Superior timber company on the 333 acre sale. Despite the large area to be cut, only 4 mmbf of timber will result. Coho, cutthroat trout,

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spring chinook, and winter steelhead swim through the South Umpqua key watershed.

45. **Zanita:** Zanita, Redlick, Jack and Gage are 318 sales for which improvements in environmental safeguards cancelled by the rider are being discussed with the Fish and Wildlife Service. With almost the entire 1,812 acres in these sales to be clearcut, the effects of logging on these key watersheds will be devastating. Fish species such as coho salmon, winter steelhead, and cutthroat trout could be endangered as 30 mmbf is cut from the Umpqua in these units. Zanita is almost entirely cut already, so immediate cancellation is required to preserve the last sections of this ecologically significant old growth zone. Zanita is also in a key watershed and owl take area, and sensitive fish species are being harmed by the logging.

Mt. Hood National Forest

Contact: Regna Merritt - Oregon Natural Resources Council, 503/283-6343 ext. 214

46. **Salmonberry:** Only one hour from Portland, this is an important recreation area, popular for camping, sport fishing and hiking. According to the Forest Service, commercial thinning and small patch clearcuts will be made in order to "restore vigorous stand health by reducing stand densities and off-site trees." The logging would take place to provide feeding areas for wolverine, deer, and elk; to manage huckleberry production; and to generally make more openings in the forest.
47. **Eagle Creek:** In a forest listed as having "good to excellent" health, dangerous thinning will take place along a scenic wilderness boundary. Eagle Creek is in a Late Successional Reserve. Cutting would take place in riparian areas, which violates the Northwest Forest Plan. The thinning in the old growth matrix will increase the "blow down" potential of the trees left behind in approximately 10,000 acres, thus contributing to landslides in a watershed which supplies drinking water for Portland residents.

Willamette National Forest

Contact: Tom Voyavich - Friends of the Breitenbush Cascades, 541/854-3421

48. **Warner Creek:** This area is valuable spotted owl habitat and was

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designated a Late Successional Reserve under the Northwest Forest Plan due to its excellent old growth characteristics. The sale was prompted by an arson caused fire, but the courts ruled that the sale could not proceed until the risk and impact of arson on the Reserve system could be assessed. The rider overturned that ruling and released the sale for logging thus legitimizing arson as a means of logging areas that are normally off-limits. The Forest Service has also increased the amount of timber to be cut in the sale by 40%, from 9 mmbf to 13 mmbf. The purported goals of the Warner Creek Fire Recovery Plan are to restore spotted owl habitat and study natural forest recovery from fire. Salvage logging will defeat both of those purposes by destroying existing owl habitat and preventing natural recovery from occurring. A better solution that would discourage arson for profit schemes and allow for legitimate study would be to set the area aside as a Research Natural Area.

- 49. Sphinx:** The Sphinx Timber Sale is located in the North Santiam watershed which supplies Salem's drinking water. The sale will cut 16.2 mmbf on over 400 acres of land and construct or reconstruct 8.87 miles of road. Most of these activities will occur in the "Transient Snow Zone," an area highly susceptible to landslides and erosion. This erosion increases turbidity in drinking water supplies. For over a month during last winter's rains, Salem lost its drinking water supply due to high turbidity levels. This sale was planned using a Watershed Analysis that does not recognize the existence or impacts of last winter's floods. The Forest Service has recently received money to rectify damage caused by the storms, but has responded by planning to cut trees and construct roads. This does not demonstrate responsible management of the drinking water supply of Oregon's state capital. Additionally, this sale will clearcut Ancient Forests and adversely affect the habitat of the threatened wolverine and downstream fish populations.
- 50. Horse Byars:** This 318 sale is located in the Breitenbush watershed directly on Byars Creek. Clearcutting on units one, four, and five would include the downing of trees as old as 650 years. Over 76 acres, 2.6 mmbf will be logged with 10 miles of logging spur (dirt roads) created.
- 51. Marten French:** Three mmbf of predominantly old growth species will be cut. This sale is within miles of Opal and Phantom

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Lakes.

Rogue River National Forest

Wendall Wood - Oregon Natural Resources Council, 541/885-4886

52. Butch: Classic old growth forest framed from behind by the scenic rim of Crater Lake will be logged to more closely resemble the clearcut areas encompassing the sale site.

Deschutes National Forest

Contact: Susan Prince - Eastside Protection Project, 541/388-4651

53. Jack Canyon: Jack Canyon, a Matrix sale, houses spotted owls and some of the best and largest intact stands of old growth in the Metolius District. Under Option 9, logging is allowed in spotted owl home ranges in Matrix lands. Oregon Department of Fish and Wildlife feels strongly that the spotted owl ranges should not be entered. Burning and thinning will take place along Canyon Creek, which contain bull trout. From an aerial view, 4 new huge landslides originating from previous clearcuts have swept down the steep slopes, affecting spawning streams. This salvage sale will produce 31 mmbf of both dead and green timber, and the cumulative effects of logging will be devastating.

Winema National Forest

Contact: Wendell Wood - Oregon Natural Resources Council, 541/885-4886

54. Copwood: This sale logs 22 mmbf, including old growth pine in a unique geographical location which is the eastern most extension of spotted owl habitat in southern Oregon. It is also one the few areas on the Chiloquin Ranger District that has habitat for species such as the pileated woodpecker. This area would be more suitable as a Research Natural Area due to these unique characteristics. The sale plans to log areas of old growth that received special protection under the Winema National Forest's long-range management plan and will cause cover for mule deer to fall below standards set in the plan.
55. PDQ: Located on the eastside of Crater Lake National Park, the PDQ timber sale was already clearcut once - but there are plans to move into the devastated area again to capture what was left behind. In the center of the PDQ sale, there remains a clump of supposedly

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beetle infested lodge pole pine. Deer, antelope, and elk are known to travel between the leftover pine trees and the adjacent park.

56. Yoss Ridge: Less than 20 miles from Crater Lake National Park and within 0.5 mile of the Klamath Marsh Wildlife Refuge, Yoss Ridge has already suffered extensive logging due to its misrepresentation as a "salvage" sale. Healthy green trees and 400 year old ponderosa pines are being cut with no upper limits on the size or diameter of the trees to be logged. The sale also contains clearcut units, and logs in areas where bald eagles roost.
57. Bill: This Section 318 sale will log 5.8 mmbf, fragmenting travel corridors for mule deer and other wildlife. The sale has been opposed by the Klamath Tribes, which has hunting and fishing rights to the area because of the impact on mule deer, a traditional food source. The Forest Service fought the Tribe in court to deny them their treaty rights in order to log this sale.
58. Cinder: This Section 318 sale will log 5.3 mmbf, degrading mule deer habitat. The sale has been opposed by the Klamath Tribes, which has hunting and fishing rights to the area because of the impact on mule deer, a traditional food source. The Forest Service fought the Tribe in court to deny them their treaty rights in order to log this sale.
59. John: This Section 318 sale will degrade mule deer habitat. The sale has been opposed by the Klamath Tribes, which has hunting and fishing rights to the area because of the impact on mule deer, a traditional food source. The Forest Service fought the Tribe in court to deny them their treaty rights in order to log this sale.

Fremont National Forest

Wendell Wood - Oregon Natural Resources Council, 541/885-4886

60. Arc: This sale involves cutting on sections within a 1,000 acre uninventoried roadless area along Deadhorse Rim.
61. Blue Ford: This Section 318 sale will log 5.3 mmbf, degrading mule deer habitat. The sale has been opposed by the Klamath Tribes, which has hunting and fishing rights to the area because of the impact on mule deer, a traditional food source. The Forest Service fought the Tribe in court to deny them their treaty rights in order to log this sale.

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Ochoco National Forest

Contact: Tonia Wolf - Eastside Conservation Ontology, 541/317-9464

- 62. Rock/Cottonwood: Green and dead trees greater than 21" dbh would be cut as a part of this salvage sale in a roadless area.
- 63. Green Mountain: This fire salvage sale will harm a roadless area.
- 64. Foss/Perkins: The sale enters old growth forests in an uninventoried roadless area in Silver Creek, a region in which 11,700 acres would be affected by logging activity.
- 65. Trout Creek: Two thirds of the 34 mmbf to be cut in the Trout Creek salvage sale will be green trees over 21" dbh. Eighteen miles of temporary roads will be constructed. The 60 miles of roads that will be "closed" will still be easily accessed by off-road vehicles, with damaging effects on trout bearing streams. Portions of Trout Creek have already been clearcut.
- 66. Harpo (M & M): Originally dropped as a part of the eastside screening process, the sale was since "revised," yet no changes were made to the original logging plan. Telemark skiing will be encouraged on the north slope despite the lack of sufficient snow cover. Clearcuts including old growth ponderosa pines will be made in this high public area. The area is so heavily eroded, there is no fear of fire.

Malheur National Forest

Contact: Karen Coulter or Asante Riverwind - Blue Mountain Biodiversity Project, 541/468-2028

BEAR VALLEY RANGER DISTRICT

- 67. Aldrich Aldrich Roadless area is a diverse mosaic which has never been logged. The old growth Ponderosa pine and mixed conifer habitat supports wolverine, goshawk, pine marten, and elk. Concerned about the increased threat of landslides and flashfloods, local ranchers filed a lawsuit to stop the sale before the Rider came into existence.
- 68. SF Deer
- 69. Guard

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70. JOB

71. Billy II: The five sales combined cover nearly 4000 acres, and would produce 12 mmbf. The sales would log old growth ponderosa pine and fir in a mostly green and healthy forest. Cutting would impair critical habitat for wolverine, pine marten, northern goshawk, pileated woodpeckers, and could affect downstream anadromous fish and/or sensitive fish species such as redband and bull trout. Logging would take place on very steep slopes with erosive soils subject to landslide in the scenic Aldrich roadless area. The sales are located in an area of high scenic and recreational value.

72. Trio: Trio is a combination of units deferred from the Wymer, Scotty, and Shirttail sales due to the Forest Service-determined failure of the sales to comply with the agency's screens. These screens are designed to eliminate old growth habitat, sensitive riparian areas and critical wildlife habitat from sales. These deferred units were reinstated as the Trio sale in response to the P.L. 104-19 Logging Rider. The sale involves logging in old growth ponderosa pine and old growth fir habitat, which are almost entirely green stands. The sale site serves as habitat for the pileated woodpecker and a range of other species, including goshawk nesting, fledgling, and foraging areas. The Trio units are roaded, but are otherwise not logged.

73. Van Aspen: Over 354 acres of mostly green, healthy forest land will be cut to produce over one million board feet of timber. The logging, which involves old growth ponderosa pine, would impair an active goshawk habitat as well as active habitats for other less common hawks.

74. Parrish: This huge sale would produce 6.8 mmbf of timber.

LONG CREEK RANGER DISTRICT

75. M & O: The northern third of the sale is within a pristine roadless area, where only the smaller units on the edges of the roadless area have been logged before. Logging is planned within a bowl of contiguous, intact forest canopy containing ponderosa pine at four feet in diameter or more and fir old growth habitat with Douglas fir up to five feet in diameter. Active nest-building and foraging by the pileated woodpecker can be viewed in the M & O, as well as wolverine, elk, and bear activity. The area has a high riparian value with a

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pristine, high volume, cool creek. Logging, especially on steep slopes, would seriously jeopardize soil stability and water quality. There is a high commercial mushroom value here. The stands are mostly green and healthy; where it is defoliated, there are still sufficient green overstory trees and live regeneration to recover naturally.

76. Sunrise

- 77. Lookout:** These two sales enter a roadless area with steep slopes over tributaries to active salmon and steelhead habitat in the Middle Fork of the John Day River. Logging would also occur on slopes over known redband and bull trout habitat as well as in habitats of pileated, blackbacked, and northern three-toed woodpeckers. Logging would take place over 1,896 acres, and would greatly diminish the recreational value of the area - elk hunting, morel mushroom picking, and hiking.

- 78. Night:** The Night timber sale would produce 1.3 mmbf, gathered from 256 acres.

PRAIRIE CITY RANGER DISTRICT

- 79. Clear Creek:** Logging would occur within old growth ponderosa pine, fir, and western larch habitat in the Clear Creek sale. Most sale units are live, green forest and include a range of tree species such as Englemans spruce, subalpine fir and lodgepole pine. The area has a high riparian value and its logging could have a detrimental impact on water quality. The Clear sale is an excellent habitat for diverse wildlife species such as lynx and snowshoe hares. A huge sale, over 17 mmbf would be logged from 2360 acres.

- 80. Powder:** Though a high intensity fire sale, the Powder sale was formerly cancelled by the District Ranger as too potentially hazardous to water quality and fisheries values due to highly erosive slopes. The sale was resurrected under the P.L. 104-19 "salvage" rider and remains both unwise and uneconomical. It was twice put up for sale with no takers and finally sold without being re-advertised in what is suspected to have been a closed door "any price you offer" deal. The sale site is a beautiful area with nearby campgrounds, with active elk and deer populations. This sale would produce 2.5 mmbf over 473 acres.

Oregon Forests at Risk From the Rescissions Logging Rider
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81. Mossy (Parc): The Mossy sale originated before the rider. Parc is the name of the new analysis that is being done on this sale. It includes logging in old growth habitat and the cutting of green trees under the pretext of root rot eradication, despite the fact that logging actually spreads the disease. Over 8.6 mmbf over 803 acres will be cut. Volume as high as this over a relatively small area indicates the falling of large trees.

BURNS RANGER DISTRICT

82. Badger: An enormous area of 4,756 acres would be logged as a part of the Badger timber sale, including logging in approximately 200 acres of old growth replacement stands. Sensitive species that could be affected by the sale include the wolverine, Preble's shrew, Pacific western big-eared bat, Sage grouse, redband trout, Malheur mottled sculpin, and Sierra onion.

Wallowa-Whitman National Forest

Contact: Mike Petersen - Inland Empire Public Lands Council, 509/775-2590

83. Eagle Creek: Prime old growth stands, identified by the Audubon Adopt-a-Forest program, will be cut in the Eagle Creek sale. The logging will further fragment and isolate these important late-successional/old growth forests in an area which has already been heavily logged. Trees to be cut include healthy trees over 3 feet thick and more than 150 years old that are needed to maintain a core old growth area which is already inadequate to maintain a viable late successional ecosystem. The sale was advertised but drew no bidders. The sale is expected to be reworked to allow for more roadbuilding and will be re-offered this summer.
84. Beaver Creek: Old growth trees in a roadless area will be logged in the Beaver Creek sale. Beaver Creek flows directly into the Upper Grande Ronde, a Northeast Oregon River with dwindling salmon and trout populations. Logging in Beaver Creek would drastically affect the watershed supporting residents of LaGrande and surrounding municipalities.
85. Baker City/Washington: Baker City enters a roadless area and is one of the worst Timber Sales pending in the Wallowa-Whitman National Forest.

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- 86. **Red Mountain:** Pristine roadless areas would be entered with the logging of these sales.
- 87. **Dutch Wolf:** A mostly green sale, the Dutch Wolf would produce 3.7 mmbf.
- 88. **Rusty Bull:** These two Baker Ranger District Sales alone would affect 5,300 acres and produce 16.7 mmbf of timber.
- 89. **Darkhorn:** Dark Horn is a large, almost entirely green sale, with some sections containing mistletoe.
- 90. **Fly Ridge:** Located in the La Grande Ranger District, 5.7 mmbf of timber would be logged over 1766 acres in these sales.
- 91. **Bugcheck:** Four million board feet would come out of this one Wallowa Valley sale, with damage covering 1470 acres.
- 92. **Twin Lakes:** The Twin Lakes Fire Salvage Sale involves logging of green and dead trees, with construction of some temporary roads. Twenty one thousand acres in the Lake Fork area would be affected by logging activity.

Umatilla National Forest

Contact: Karen Coulter or Asante Riverwind - Blue Mountain Biodiversity Project, 541/468-2028

WALLA WALLA RANGER DISTRICT

- 93. **Grande Ronde:** The scale of this sale is in fact "grand," with over 10 mmbf of timber resulting from logging on 1,060 acres. Green trees would be cut as a part of the sale. The units buffer a roadless area and include important wildlife corridors. The sale is in the Looking Glass drainage area, feeding the Grande Ronde River which is critical salmon spawning area.
- 94. **Umatilla Breaks:** Another huge sale, 8 mmbf over 1,340 acres would be generated from Umatilla Breaks. Cutting could impact wolverine and sensitive fish habitat particularly. The Breaks is next to the North Fork John Day Wilderness Area. At least 15% of the trees to be cut are green and healthy, and more will be logged due to coverage by mistletoe.

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95. **Swampy:** Swampy is a critical wildlife habitat area. The Snake River spring and summer chinook salmon runs downstream only four miles away, and the Snake River fall chinook salmon swims 40 miles away. Forest Service documents acknowledge that 60% of the sale is green, with 30-50% crown reduction planned, meaning a significant removal of canopy closure. The Swampy sale is a 350 mbf sale over 100 acres.
96. **Fox:** An insufficient range of alternatives have been considered under NEPA for the Fox sale. Three million board feet will be cut over 1,400 acres, portions of which are in a roadless area. Eleven percent of the forest to be logged is late and old structure, with green trees planned for cutting.
97. **Curly:** Large trees will be taken from 740 acres to generate 6.3 mmbf for this sale. Sawlogs (larger mature to old growth) will comprise 33% of the volume. Curly is in a naturally cool, moist forest, not subject to frequent fires. Logging on 180 acres of the old growth habitat would remove needed canopy closure and cover contributing to the old growth structure and maintenance of the moister conditions. Snake River chinook salmon and steelhead would be affected by the sale.
98. **Moe:** Over one million board feet will be cut from an area covering 400 acres.
99. **Umatilla Restoration:** Ten million board feet over 2000 acres would be cut in this sale which enters a roadless area.
100. **Andies:** Logging on 226 acres would generate 1 mmbf of timber in the Andes sale.

NORTH FORK JOHN DAY RANGER DISTRICT

101. **Camas Restoration Project:** The Camas Project will log 45 mmbf of trees over the next ten years in various large timber sales, all subject to the provisions of the P.L. 104-19 Logging Rider and therefore exempt from citizen appeal or court review. Shelterwood "prescriptions" are proposed for all units in the Camas sale. These cuts are virtual clearcuts, usually with only tiny clumps of small trees left, which are then subject to windthrow and overexposure to the sun. Over ten years or less, 45,258 mmbf will be logged from over 15,086 acres. The forest

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is a haven for pileated woodpeckers, with bull trout and steelhead habitat adjacent or downstream.

- 102. Oasis: The Oasis sale is 80-90% green timber and contains significant old growth. The sale will produce the 2.5 mmbf from 629 acres. Many species have been seen on site that would be affected: bald eagle, ferruginus hawk, long-billed curlew, upland sandpiper, Preble's shrew, Townsend's big-eared bat, California wolverine, gray wolf, North American lynx, Blue Mt. Crytochian, bull and redband trout.
- 103. Texas: Many uncommon wildflowers are among the diverse plant life that thrive in the 249 acres that would be entered as a part of the Texas sale. Black bears and pileated woodpeckers frequent the project site, which is to produce 845 mmbf.
- 104. Farley
- 105. Diggins: The two sales combined would produce approximately three mmbf.
- 106. No Name: Over 19,000 acres would be logged in this North Fork John Ranger District sale.

HEPPNER RANGER DISTRICT

- 107. Lone Star: Lone Star is a large sale covering 1,675 acres, with the goal of producing 5.6 mmbf, including logging in the Texas Butte Roadless area. Spruce budworm has defoliated several units but many of these units are still up to 50% green. The roadless area units are active woodpecker habitats, and many also have heavy elk use for cover. They are near numerous well-established hunters' camps, some of which have been used by the same families for many years. The roadless parts of the sale are also active cougar habitat and probably black bear as well.
- 108. Uppity: Two million board feet is planned to be cut from the Uppity sale before the rider timeframe expires.

WASHINGTON STATE FORESTS AT RISK
FROM THE RESCISSIONS LOGGING RIDER
Public Law (104-19)

July 19, 1996

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WASHINGTON STATE FORESTS AT RISK FROM THE RESCISSIONS LOGGING RIDER

Public Law (104-19)

July 19, 1996

Introduction

Since the signing of the Rescissions Act Timber Rider on July 27, 1995, forest defenders have put up a fierce fight to stop bad sales under the rider and convince the American public, the Congress, and the President that the rider must be repealed. We have suffered some difficult losses. In Washington State, the Rocky Brook and Carico Cat sales on the Olympic NF, and a number of units in East Side sales have been logged in spite of the protests of thousands and arrests of over one hundred citizens at Rocky Brook.

At the same time, the threat of clearcutting the "last and best" of our nation's Ancient Forests has rallied the support of citizens across the country. The bill filed by Rep. Elizabeth Furse (HR 2745) to repeal the rider has 147 cosponsors, more by far than any other environmental bill in the Congress. President Clinton has moved to a position of support for repeal of all or part of the rider and has said he will use his administrative authority to cancel destructive sales. (Regrettably, none have been cancelled or withdrawn in Washington State yet).

In Washington, as in most parts of the country, the overwhelming majority of the sales that could be cut under the "logging without laws" Rescissions Act rider have not yet been cut and some have not been sold. This report documents what's at stake in Washington State if action is not taken soon to repeal the rider, and cancel destructive rider sales.

Washington State Forests At Risk

Washington State has much to lose from the further implementation of the logging rider. Proponents of the rider used the threat of catastrophic fires to justify suspending environmental laws and banning citizen appeals. But a closer look reveals that most of the logging in Washington is occurring in healthy Ancient Forests that are not susceptible to destructive burns. Although the marbled murrelet decision of the Ninth Circuit stopped a number of sales in Washington State there are still significant salvage and Option 9 sales that remain.

Sales under the Northwest Forest Plan (Option 9) no longer have to comply with the Plan's requirements, because citizen appeals and court challenges are banned by the rider.

The salvage portion of the rider is also damaging Washington's Eastside forests. Forests on the Eastside of Washington are fire adapted, and need regular burns to clear out the underbrush. But the rider only expedites salvage

logging and does nothing to address fire suppression, which all sides agree is the root cause of this overstocking problem. The salvage sales under the rider are losing taxpayer's money, and causing the same environmental damage as regular timber sales. In addition, there are many cases where the "salvage" sales contain nothing but healthy green trees that have been renamed "salvage" so that environmental controls and citizen appeals will not apply.

Monitoring efforts by concerned citizens have revealed that the Forest Service is not complying with President Clinton's directive to comply with our nation's environmental laws. Following is a list of abusive sales under the rider in Washington State that the Clinton Administration needs to take immediate action to cancel.

Colville National Forest

1. **Gatorson Timber Sale:** The Forest Service has planned and withdrawn the Gatorson sale four times since 1990. The Gatorson sale would log nearly 12 million board feet of timber from the western portion of a unique and undeveloped 8000-acre Jackknife Roadless Area. The geography of the area is characterized by steep cliffs and ridges that drop precipitously into the South Fork of Boulder Creek. In a forest logged of almost all of its old growth trees, the Gatorson sale area constitutes one of the last refuges for solitude-seeking wildlife species, especially cougar, black bear, and wolves. The sale area is also of great importance to sensitive fish species, such as the bull trout. Seven miles of new roads will cross stream channels multiple times, contributing tons of choking sediment into Boulder Creek. Contact: Tim Coleman, Kettle Range Conservation Group, 509/775-3454.
2. **East Curlew Sale:** A green timber sale, the East Curlew Sale, will log through one the largest remaining roadless area complex in eastern Washington. Contact: Sara Folger, Inland Empire Public Lands Council, 509/838-4912.

The sale calls for logging rare old-growth ponderosa pine and western larch forests and additional green timber from adjacent unburned areas that were part of an earlier timber sale. The Forest Service admits the Copper Butte fire was good for the forest, because it burned stands of overcrowded trees, overmature trees, or diseased trees. The agency also admits that salvaging the area will have substantial impacts on soils and water quality.

If the ecological abuses are not persuasive enough, the economic abuses should be. The sale is a big money loser for the taxpayer. In environmental documentation for the sale, the Forest predicted that the agency would receive a bid of \$888,000 for the trees and that it would make more than \$1 million. That

has not come to fruition under anyone's voodoo economics. When it same time for the first auction, the agency only asked for \$403,000. No bidders. The third auction finally squeaked \$138,000 out of Omak Wood Products, only after a deal was cut giving a greenlight to the company to choose whether it wanted only to log the green trees in units designated for helicopter logging. After accounting for sale planning costs, the Forest Service will lose more than \$244,000 by selling the timber, not counting the 25 percent revenue payment to the local county, general agency overhead or future road maintenance.

Gifford Pinchot National Forest

The Northwest Forest Plan governs all timber sales planned on the Gifford Pinchot National Forest, as well as timber sales on the Olympic, Mt. Baker-Snoqualmie, and part of the Wenatchee and Okanogan National Forests. To meet timber targets directed in the logging rider, the Gifford Pinchot National Forest has accelerated its logging in environmentally sensitive areas. Of the 19 sales planned by the Forest this year, over two-thirds are within Key Watersheds -- areas designated to protect and restore aquatic ecosystems and their associated species. In addition, the Forest has proposed logging and roadbuilding into at least three roadless areas in the forest.

- 3. Jammin' Timber Sale:** The Jammin' Timber Sale brings the worst abuses of the President's Forest Plan into one package. The Forest, in preparing this sale, has taken full advantage of the rider's suspension of environmental laws. Jammin' will adversely affect water quality and native cutthroat trout habitat. The Forest Service intends to log in the Little Huckleberry Mountain Roadless Area, a 4,000 acre roadless tract that borders a much larger 30,000 acre complex of unprotected wilderness.

There is good reason that the Little Huckleberry Mountain Roadless Area has not been previously logged. It contains steep and unstable areas that are subject to landslides. The Little White Salmon River watershed is already overcut, and the roadless area provides one of the only sources of clean, sediment-free water to sustain native cutthroat trout populations. The unroaded area is a wild life mecca, providing vital habitat for the endangered grizzly bear, the wolf, goshawk, spotted owl, peregrine falcon, and many amphibian species. Contact: Dave Wernitz, Northwest Ecosystem Alliance, 360/671-9950.

- 4. Walput Cispus:** The Walput sale is an example of how the Gifford Pinchot has attempted to sidestep the procedures required by the President's Northwest Forest Plan. Walput is within an Adaptive Management Area, but the agency wants to cut it like the less stringently

managed matrix areas. For this sale, the Forest Service has cobbled together the parts of the documents that make up the ROD that support timber harvest and use them to justify the sale. In addition, streamside buffer protections have been proposed for cutting without justification. Contact: Dave Wernitz, Northwest Ecosystem Alliance, 360/671-9950.

5. **Canyon Creek:** The Canyon Creek timber sale on the Gifford Pinchot NF will fragment the stretch of contiguous forest which surrounds Canyon Creek. Unfragmented forests are increasingly rare in central Washington and important for the integrity of water quality, fisheries, and wildlife. This area has been designated a Key Watershed under the Northwest Forest Plan because of its importance as fish habitat.
6. **Butte Demo:** The Butte Demo timber sale on the Gifford Pinchot impacts important habitat for goshawk and will contribute to sediment loading of local streams, jeopardizing fish populations.

Wenatchee National Forest

7. Tip and

8. **Tiptop:** The Tip and Tiptop are Section k sales that were enjoined by a Washington court a year ago. The sales are in designated old growth comprised of ponderosa pine and Douglas fir. The cutting area contains numerous tributaries to Peshastin Creek, which supports trout and salmon fisheries. The effects on fish, caused the Washington District Court to stop these sales. The industry has indicated that it wants to log these sales using the original and illegal contract prescriptions under the logging rider. Contact: Liz Tanke, Northwest Ecosystem Alliance, 206/255-2449.

Okanogan National Forest

9. **Thunder Mountain:** The Thunder Mountain Salvage Sale on the Okanogan National Forest in north-central Washington would log 3.5 million board feet within the heart of the remote and inaccessible Long Swamp Roadless Area, the largest unprotected roadless area in Washington. Although the area burned in the fall of 1994, biologists believe that the fire will benefit the overall ecosystem which includes grizzly bears, lynx and wolves.

Because the economic value of the timber is low, the Forest Service is allowing heavy logging equipment to operate over the area's fragile high-elevation soils, on up to 35% slopes. Recent monitoring data indicate that use of feller-bunchers on slopes greater than 25% leads to unacceptable levels of soil

disturbance and reduced soil productivity. The Forest Service will be allowing the purchaser to remove any desirable timber from the logging unit, violating the Eastside screens, which require the retention of at least minimum numbers and dimensions of down logs for soil productivity and wildlife habitat. The Northwest Ecosystem Alliance was the highest bidder on this sale, but the Forest Service rejected this bid after determining that NWEA had no plans to log or build roads in the area. Contact Mitch Friedman, Northwest Ecosystem Alliance, 360/671-9950.

Umatilla National Forest

POMEROY RANGER DISTRICT

The sales listed below are rider sales in a predominantly green, healthy district that was not subject to much cutting before the rider. The general area has high recreational and wildlife value and is near the Wenaha-Tucannon Wilderness:

- 10. Tucannon: A high volume sale, Tucannon would generate four mmbf off of 700 acres and involve the construction of new roads.
- 11. Charley: Shelterwood cutting, to produce 2.5 mmbf from 1,000 acres.
- 12. Pataha: Also involves heavy cutting referred to as "shelterwood." Two million board feet will be logged off of 600 acres.
- 13. Cabin: Cabin will generate one mmbf off of 350 acres.

Other sales within the Pomeroy district include Count Chute, Petty, Trail Triple Ridge, and Round Prairie. Burnt, Red Hill, Smoothing Iron, Rose Springs, Abels Point, Lanzie Spring, Big Mud, Little Mud, Oliphant, Point, Triple Ridge, Petty Ridge, Round Prairie, Stevens Ridge, Ranger, Alder Thkt, Ruchert Spring, Horn, Trail, Lick Creek, and Willow are rider sales affecting 1578 acres and will produce 4.41 mmbf total.

Mt. Baker Snoqualmie National Forest

14. Canyon Salvage Sale

The sale includes some the last old growth in the Independence Late Successional Reserve. The area includes steep slopes and unstable soils leading to a high probability of slope failures, sedimentation of Canyon Creek and the destruction of coho salmon habitat. Spotted owl, northern goshawk, bald eagle, mountain goat, marbled murrelet and grey wolf have all been observed within the area.

The Forest Service claims the salvage is necessary to prevent future wildfires, however, stand-replacing wildfires are extremely rare west of the Cascades. The last such fire occurred in 1834 and the Forest Service's own studies show that standing dead trees actually retard spreading fires.

The Forks trail is a remnant trail still used by countless individuals and families. The recreational experience of this trail will be completely destroyed if this sale goes through.

Contact: Bonnie Phillips, Pilchuck Audubon Society, (206)397-6056



United States
Department of
Agriculture

Forest Service



United States
Department of
the Interior



Bureau of Land
Management



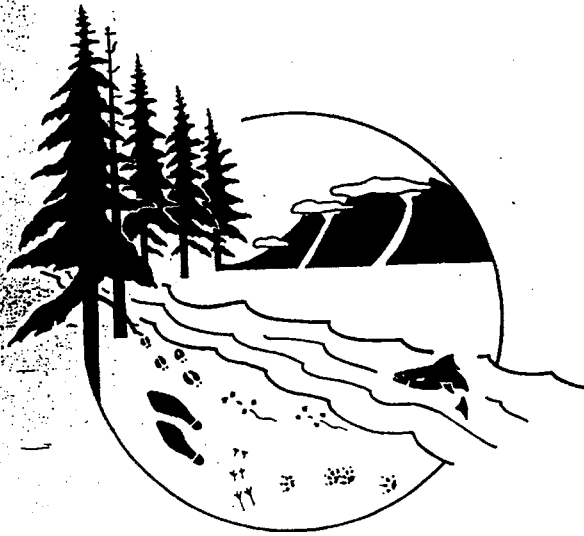
April 1994

Record of Decision

for Amendments to Forest Service and Bureau
of Land Management Planning Documents
Within the Range of the Northern Spotted Owl

Standards and Guidelines

for Management of Habitat for Late-
Successional and Old-Growth Forest Related
Species Within the Range of the Northern
Spotted Owl



3. Application to Timber Sales

This record of decision does not provide final authorization for any timber sale, nor does it compel that any timber sale be awarded. Rather, the decision amends various Forest Service and BLM planning documents; timber sales offered subsequent to the effective date of this Record of Decision must be consistent with these amended planning documents. In addition, timber sales must undergo appropriate site-specific analysis, and must comply with applicable regulatory requirements for public participation and administrative appeal.

Some previously-offered sales are located in late-successional reserves. If those sales proceed, the integrity of the late-successional reserves will not be substantially impaired, and the cumulative environmental effects of the sales will not be significantly different from the effects set forth in the Final SEIS. Between the Draft and Final SEIS, the size of late-successional reserves increased by 378,200 acres, to a total late-successional reserve acreage of 7,431,000. The amount of late-successional, old-growth habitat protected in various reserves (e.g., late-successional, riparian, and known owl activity centers in the matrix) increased by 240,900 acres, to a total of 6,864,100 acres. These increases more than offset the approximately 26,000 acres of previously sold and awarded or sold and unawarded sales located within proposed late-successional reserves. The late-successional and old-growth habitat in late-successional reserves that might be harvested (assuming that these areas meet ESA requirements) represents about one-third of one percent of the total of this habitat in reserves in the preferred alternative.

a. Timber Sales Awarded Prior to the Effective Date

Timber sales awarded prior to the effective date of this Record of Decision are not altered by this Record of Decision. At the time they were awarded, these timber sales were consistent with the planning documents then in effect, complied with the Endangered Species Act and other laws, and the environmental effects of these sales were considered as part of the baseline for the biological opinion for the Final SEIS.

Timber sales in key watersheds (as described in the Final SEIS) and inventoried roadless areas (as defined in the RARE II study) awarded prior to September 1993 were evaluated and adjusted, as needed, to eliminate or mitigate long-term, unacceptable effects on riparian and aquatic ecosystems. Sales were assessed to determine their effect on state water temperature standards, large woody debris, stream flow, sediment regime, aquatic organisms, and other aquatic resources. The criteria for this evaluation were developed by the scientific group assisting the implementation team. Since September 1993, sales awarded in proposed late-successional reserves have been limited to thinning and salvage, evaluated using

criteria developed by the scientific advisory group.

b. Timber Sales Offered Subsequent to the Effective Date of the ROD

Timber sales offered subsequent to the effective date of this Record of Decision must be consistent with the appropriate planning documents as amended by this Record of Decision. Where appropriate, timber sale planning documents may reference the analysis in the Final SEIS.

Section 318
Subs SS

c. Timber Sales Sold but Unawarded

With one exception as described below, all planned and sold but unawarded timber sales were reviewed and adjusted as needed, following publication of the Draft SEIS, pursuant to the process described in paragraph (a) above. The review ensured that these sales would not prevent the attainment of the environmental objectives of the selected alternative.

The environmental effects of these timber sales were disclosed in site-specific NEPA documents and subsequent review. Some of these sales have subsequently been awarded and some have not yet been awarded.

This Record of Decision specifically provides that the remaining sales that have been offered but not awarded prior to the effective date of this Record of Decision, other than those sales referred to in paragraph (1) below, may be awarded after the effective date of this Record of Decision without further modification provided that they meet the requirements of the Endangered Species Act.

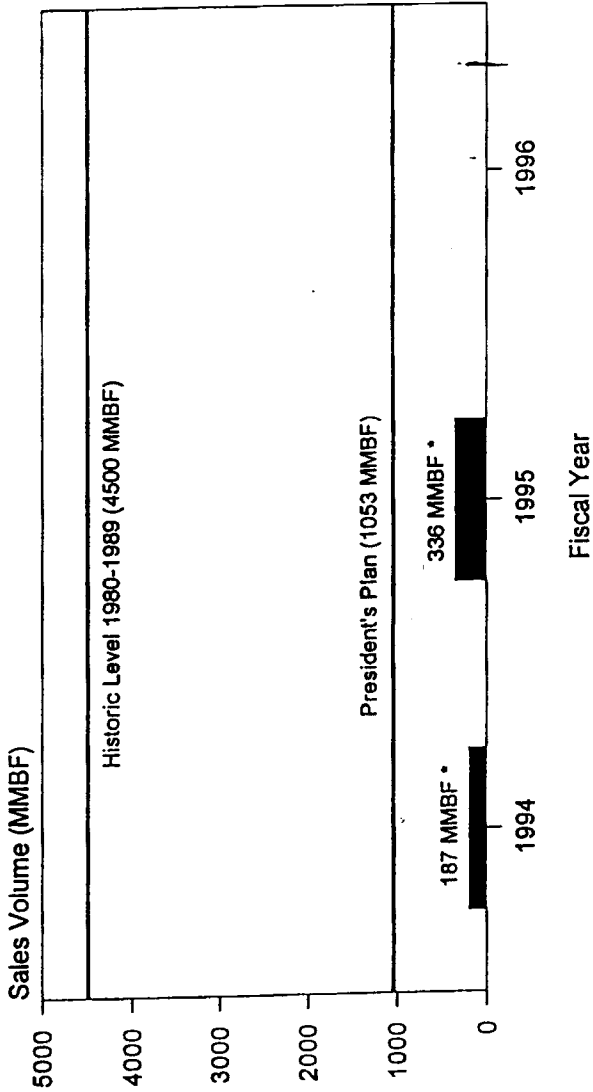
(1) Timber Sales Sold, Unawarded but Enjoined

Timber sales sold, unawarded, but enjoined prior to the effective date of the ROD have not been reviewed using the procedure described in paragraph (a) above, but must be consistent with the appropriate planning documents as amended by this Record of Decision. Where appropriate, timber sale planning documents may reference the analysis in the Final SEIS.

d. Timber Sales Released from the Injunction in Seattle Audubon Society v. Lyons

On March 24, 1994, the court in Seattle Audubon Society v. Lyons modified the injunction to allow 24 timber sales in northern spotted owl habitat to be sold and awarded. These sales will be adjusted to conform to the amended planning documents resulting from our decision unless they are awarded prior to the effective date of this Record of Decision.

President's Northwest Forest Plan (Option 9) Forest Service and BLM



Source: Timber Data Company, Eugene, OR

* Actual Accomplishments

FOLLOWING ARE THE MODIFICATIONS/CHANGES MADE TO DATE ON THE AWARDED /RELEASED 2001(K) SALES, AS OF 12/18/95

NOTE: MANY OF THE SALES HAVE NOT STARTED OPERATIONS, AND ARE NOW NOT ACCESSIBLE BECAUSE OF SNOW. CONTINUED EFFORTS WILL BE MADE TO ASSESS AND LOOK FOR THE NEED FOR AND OPPORTUNITY TO MODIFY THESE TO LESSEN ANTICIPATED ADVERSE RESOURCE IMPACTS WHEN SALES BECOME ACCESSIBLE OR OPERATIONS BEGIN.

SALE NAME	FOREST	HIGH BIDDER	OPERATIONS BEGAN	MODIFICATIONS/CHANGES (and resource issue addressed)
Banty Slv	WAW	Ellingston	NO	
Bill	Win	Huffman/Wright	NO	
Blue Ford	Fre	Boise Cascade	NO	Change in marking, added stream buffer, change road reconstruct.
Boulder Krah	Sis	Boise Cascade	12/95	MOU to change logging system units 3,4 and delete road const. less impact on soil/fish
Caraco Cat	Oly	Mesa Resources	NO	Deleted 2 units and widened buffers on riparian areas. Change planned slash disposal.
Cinder	Win	Scott Timber	NO	
Elk Fork	Sis	CLR Timber	NO	
Enola	Mth	Hanel Lumber	NO	
Gage	Ump	Scott Timber	10/95	Units 5,7,10,15--changed from tractor logging to skyline logging. Portions of Units 24,26,27 changed from tractor logging to skyline logging. Units 8,16,21,22,25--stream buffers added or widened. Unit 20--retained most of saplings & poles vs clearcutting.
Head	Ror	Boise Cascade	NO	Change from tractor to helicopter
Honeytree	Ump	Scott Timber	10/95	Units 1,7,8,9--widened stream buffers.
Horse Byars	Wil	Freres Lumber		
Jack	Ump	C & D Lumber	10/95	Unit 2--changed from tractor logging to skyline logging. Units 7,15,16,21,22--stream buffers added or widened. Unit 1--deleted 18 acres for stream protection.

Unit 12--will be dropped for
silvicultural/suitability reasons.
Unit 9--previously dropped due to
spotted owls.
Unit 11--will be dropped for stream
protection.

John	Win	Huffman/Wright	NO
Locust	Mal	Smerski Logging	NO

Nicholson S.2	Oka	Vaagan Brothers	NO
Park HFR	Waw	Boise Cascade	--Had plans to start, weather stopped
RD Salvage	Waw	Dodge Logging	NO

Red 90	Will	Freres Lumber	NO
Redlick	Ump	Superior Lumber	10/95

Units 13,19--portions changed from
tractor logging to skyline logging.
Units 8,9,13,19,30--buffers added
along streams & wet areas.

Rocky	Oly	Buse Timber	NO
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Sweet Pea	Waw	Ellingston	NO
Tanhorse	Waw	Boise Cascade	NO
Tanya	Waw	Boise Cascade	NO

Willy	Win	Boise Cascade	NO
Yoss	Win	Boise Cascade	NO
Zanita	Ump	Lone Rock	10/95

Units 3,5,8,16,17,18--buffers
widened or added along streams.
Units 1,2--previously dropped due to
spotted owls.

California Forests at Risk:

The Impact of the Rescissions Act Logging Rider
on National Forests in California



Prepared by the
Western Ancient Forest Campaign
July, 1996

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I. Introduction

California's Forests At Risk

Unless President Clinton and Congress act soon, the loss of some of the last and best of California's Great Forests will be the environmental legacy of the 104th Congress and the Clinton Presidency.

This report describes just 28 of the worst timber sales among more than 250 planned for California under the Rescissions Act Logging Rider (P.L. 104-19). Jessica Mathews, the *Washington Post* columnist, writes that the rider is "arguably the worst public lands legislation ever." Certainly, it is the worst environmental law passed by the 104th Congress.

President Clinton signed the Logging Rider into effect July 27, 1995. Since that date, the most important environmental laws of our nation have been suspended for timber sales on National Forests across the country, including those in California. The result has been a flood of green (live) tree sales masquerading as "salvage," the logging of rare old growth forests, and numerous timber sales which violate basic environmental laws and threaten the ecological health of the state's watersheds and fisheries.

"Lawless Logging" in California

The Clean Water Act, the National Environmental Policy Act, the Endangered Species Act, and other safeguards apply to every other private and public action in California — but not to sales of timber from National Forests affecting some of our state's most precious forest ecosystems and the rivers, fish, and wildlife that depend on them.

Most of the direct assaults by corporations and campaign contributors on the nation's environmental

laws in the 104th Congress have fallen short. But the passage of the Rescissions Act Logging Rider by the Congress in 1995, and its signature by President Clinton, was a major victory for timber industry lobbyists and political action committees that contributed hundreds of thousands of dollars to elect the current Congress.

The good news is that the bulk of the damage which could result in California from the Logging Rider has not yet occurred. Even though the law has been in effect for a year, a relatively small number of sales under the Logging Rider have been cut so far.

But time is short. The Forest Service is planning over 203 "salvage" timber sales, and 50 Option 9 (Northwest Forest Plan) sales in California under the rider. More notices of planned sales are received every day. Only immediate action by the President and the Congress can stop this threat to California's forests.

A Time Bomb for California's Forests

The Rescissions Act Logging Rider is an environmental time bomb waiting to go off in California. This report describes 28 of the most egregious timber sales planned under the Logging Rider in the state. Eight of the sales will enter roadless areas. Roadless areas are not just areas without roads. Roadless areas together with Wilderness represent the last remaining undisturbed portions of the landscape, areas that serve as refuges for numerous imperiled species. Nine of these sales are planned for critical watersheds that protect the quality of our state's waters, and harbor valuable fisheries. Twenty one of them impact endangered or sensitive wildlife

species, destroying the habitat of not just the California spotted owl but also the coho salmon, west coast steelhead, Modoc sucker, Pacific fisher, marten, goshawk, and pileated woodpecker.

Twenty of these sales will cut valuable old growth forests. Numerous studies have documented the importance and rarity of old growth forests in California. The recent Sierra Nevada Ecosystem Project (SNEP) report explains the value of Sierra forests in protecting watersheds, sustaining fisheries, and providing for the needs of both people and wildlife. The SNEP report also documents that late successional old growth forests at middle elevations at present constitute only 7 to 30% of the forest cover of the Sierra.

President Clinton's Northwest Forest Plan also recognized the importance of ancient forests, and gave many old growth forests and important watersheds new status. The plan identified Key Watersheds that provide cold, clear water for at-risk fish species. The plan also established Late Successional Reserves containing many of the sparse remains of California's uncut, old growth forests. The Rescissions Act Logging Rider made the protections granted to these critical areas in the Northwest Forest Plan unenforceable.

A Threat to Citizens' Rights

This is not the first time that the Forest Service has proposed environmentally damaging timber sales in California. But, it is the first time that citizens have lost their rights to appeal administratively or judicially to insist that agency regulations and the laws be respected.

This anti-democratic provision was ostensibly included to prevent "frivolous" appeals from stop-

ping legitimate timber sales. However, only 8 of 119 timber sales in California were appealed by conservationists last year — hardly a major obstacle to timber production, but an important safeguard helping to bring about some balance in forest management. In reality, limiting citizen participation ensures that the timber industry will have unobstructed access to the most ecologically important and valuable forests that remain in our state, old growth forests that have withstood generations of human activity.

Although the Rescissions Act logging rider "expires" December 31, 1996, the provisions of the rider shielding agency and corporate actions from judicial oversight will extend on for months, or even years. If a "salvage" or Option 9 (Northwest Forest Plan) sale is offered by December 31, 1996, then it can proceed under the terms of the "lawless logging" rider for years until the entire project is logged. Citizens' rights must be restored. There is no justification to deny the public the opportunity to participate in decisions that affect the public lands.

A Forest Health "Crisis" in California?

Proponents of "lawless logging" argue that wild-fire, disease, and insect activity are threatening "forest health." The evidence does not support that argument.

The recent SNEP science report observes that insect outbreaks during the 1980s were a repetition of patterns common for many decades. "Tree mortality, even widespread or locally severe mortality, is an inherent component of Sierran forest ecology and an important generator of plant and animal habitats," the report concludes.

Proponents of the Logging Rider also "wave the bloody shirt" when they argue that salvage logging is necessary to reduce fuel loading and fire risk. Again, the scientists who wrote the SNEP report find evidence to the contrary. "Timber harvest, through its effects on forest structure, local microclimate, and fuel accumulation, has increased fire severity more than any other recent human activity," the SNEP report says.

In fact, public land managers in California already have the tools they need to address legitimate "forest health" needs, and conduct salvage sales. Fully 40% of the timber sales program in California before the rider passed was salvage — and all of this was cut with the laws in place. In fact, so much salvage has been cut in California that some forests have little left to sell. Sequoia National Forest Supervisor Art Gaffrey recently said that "at present, neither the Sequoia nor Sierra National Forests have a significant amount of dead trees." But that hasn't stopped the Forest Service.

The National Forests of California are threatened, but not by natural processes such as fire and insects. Decades of logging, road building and grazing have taken a huge toll on the ecological integrity of the forests. Excessive logging has brought wildlife species to the brink of extinction, severely degraded rivers and streams, and produced extensive erosion and sedimentation.

Invitation to Abuse

Regrettably, the suspension of laws safeguarding the forests and the democratic rights of citizens to appeal illegal agency decisions has opened the flood gates for abuse. Although the Logging Rider was sold to the Congress as necessary to conduct "salvage" sales, green (live) tree sales under the rider are common-

place. Virtually every one of the 28 sales described in this report have a significant green component; almost half of them are straightforward green sales. In fact, some of these sales (Ruffa and West Dusty on the Lassen, Hatchett on the Sequoia, and Treasure and Davies on the Tahoe) were a part of the agency's green sale program before they became P.L. 104-19 sales. Clearly, the Forest Service has seized on the opportunity to avoid public review and requirements of laws which force the agency to balance timber production with other values by using P.L. 104-19.

Abuse of taxpayer dollars will also result from logging under P.L. 104-19. During the three year period 1992 - 1994 before the rider, National Forests in California lost a total of \$143.2 million from timber sales, an average of \$47.7 million a year, according to the Government Accounting Office (GAO). Of the 11 National Forests covered in this report (several of California's National Forests do not have a significant timber program), only two, the Modoc and the Lassen, showed timber receipts greater than outlays for the three year period.

It is anticipated that most of the P.L. 104-19 sales will lose money in California and across the country; in fact, the law includes a specific mandate to ignore economics of sales. This type of corporate welfare, subsidizing the timber industry at the expense of both the taxpayer and the environment, ought to be eliminated from all federal resource management programs.

Time for a Change

The irresponsible action of the Congress and President Clinton in passing and signing the Logging Rider, and the irresponsible way the Forest Service has implemented it, must be reversed.

On a vote of 209-211, the House of Representatives

on June 20 narrowly rejected an amendment offered by Reps. Elizabeth Furse (D-OR) and John Porter (R-IL) to halt funding for the rider. Future opportunities may allow both the House and Senate to reverse themselves and restore the laws on our national forests. Neither Republican nor Democratic leaders of the Congress can make the claim that they are acting as responsible stewards of the nation's environment if they do not pursue every opportunity to repeal P.L. 104-19.

President Clinton must take action, too. The President has the power administratively to stop every timber sale featured in this report. Sold sales can be bought back; unsold sales can be withdrawn. In fact, influence from the White House was responsible for the withdrawal of the Barkley sale on the Lassen National Forest on April 2, 1996, one day before it was to be sold. A recent directive from Agriculture Secretary Dan Glickman establishing new rules for "salvage" sales in roadless areas may help, but does not take the place of sale cancel-

lation or rider repeal. The damage which is about to occur to California's public forests, watersheds, fisheries, and wildlife as a consequence of the Rescissions Act Logging Rider is arguably the most adverse environmental impact to be felt this year anywhere in the nation as a consequence of the 104th Congress.



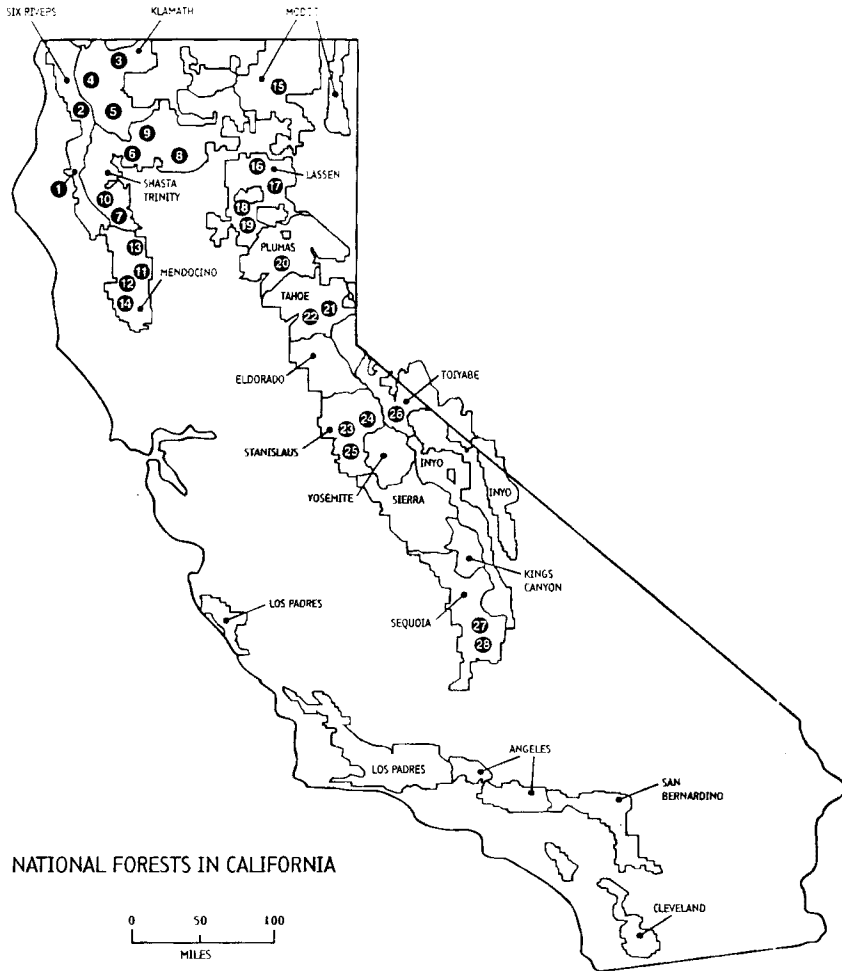
Douglas Fir stump near the bank of a sensitive stream
(Felice Pace)

Under the Logging Rider, the degradation of National Forests, a publicly owned treasure, will continue unabated. The descriptions in this report of planned timber sales illustrate what is at risk if the Rescissions Act Logging Rider is not repealed. Action by President Clinton and the Congress is needed now to stop the ride, halt disastrous timber sales, and provide for the long-term protection of California's Great Forests not just for today's citizens, but for future generations as well.

*Connie Stewart, President
Board of Directors
Western Ancient Forest Campaign*

II. Impact Matrix

	OLD GROWTH	ENTERS ROADLESS AREA	CRITICAL WILDLIFE HABITAT	AT RISK SALMON OR STEELHEAD HABITAT	GREEN SALE
Six Rivers					
1. Pilot Creek	•	•		•	•
2. Deadwood	•		•	•	•
Klamath					
3. Canon	•	•	•	•	•
4. Dillon	•	•	•	•	
5. Taylor	•	•	•	•	
Shasta-Trinity					
6. West Weaver II	•		•		•
7. West Weaver Thin	•		•		•
8. Misery	•		•		•
9. Headwaters	•				
10. Sun Slipper			•		•
Mendocino					
11. Blands/Steel	•	•	•	•	
12. Coyote			•	•	
13. Kop/Gibson	•		•	•	
14. Saddle	•		•		•
Modoc					
15. Poison Spring	•		•	•	
Lassen					
16. Hamilton	•		•		
17. Too Flat	•		•		•
18. West Dusty					•
19. Butt Creek		•	•		•
Plumas					
20. Axford Management Area			•		
Tahoe					
21. Treasure	•				•
22. Davies	•				
Stanislaus					
23. Irish			•		•
24. Cupid			•		•
25. O'Manuel			•		•
Toiyabe					
26. Poor Boy	•	•			
Sequoia					
27. Red Helicopter	•		•		•
28. Hatcher	•	•	•		•



III. California Forests At Risk

Six Rivers National Forest

1. Pilot Creek Green Timber Sale

Ranger District	Volume (mmbf)	Project Acres	Logging Acres
Mad River	15	N/A	N/A

Location

This sale is located in the Pilot Creek drainage, a Mad River tributary.

Impact

The Forest Service plans to log 15 million board feet of timber from this Key Watershed. This watershed received its "key" classification because of its importance to declining stocks of steelhead and salmon downstream. Specifically, Pilot Creek supplies clean, cold water — a critical component of salmonid habitat — to the Mad River. The proposed logging and roading may lead to extensive erosion and sedimentation of the creek, further threatening salmon and steelhead.

According to the Record of Decision (1996), the sale includes construction of 2.71 miles of permanent road and 4.37 miles of temporary roads. Since funding for decommissioning of temporary roads is one of the Forest Service's lowest fiscal priorities, temporary roads are often de facto permanent roads. This project will also affect more than 900 acres of the Pilot Creek Roadless Area. This roadless area once contained over 10,000 acres of pristine ancient forest. Extensive logging in the late 1980's reduced the size of the roadless area to just over 4,600 acres. Despite the reduction, Pilot Creek still contains critical wildlife habitat and is home to marble murrelets, spotted owls, marten, and fisher. The roughly 5 million board feet that will be taken from the roadless area will leave only 2,832 acres in Pilot Creek with wild and roadless characteristics.

For additional information:

Ryan Henson, California Wilderness Coalition, 916/758 0380

Paul Spitler, Western Ancient Forest Campaign, 916/758 0380



Pilot Creek in a roadless portion of the watershed, down slope of two logging units. (Anthony Ambrose)



Pilot Creek drainage looking south into the roadless area. (Anthony Ambrose)

Six Rivers National Forest

2. Deadwood Green Timber Sale

Ranger District	Volume (mmbf)	Project Acres	Logging Acres
Lower Trinity	4	N/A	N/A

Location

This sale is located in the Grouse Creek watershed.

Impact

This sale, still in the early stages of planning, will cut four million board feet of live trees that are in old growth habitat or on terrain set aside by the Northwest Forest Plan for use in experimental forestry to enhance old growth. The sale site is in a Key Watershed that provides high quality habitat for imperiled fish. Grouse Creek provides clear, cool water to the south fork of the Trinity River, which has also been designated as critical habitat for a threatened anadromous fishery.

Private landowners own most of the watershed, which has been heavily logged as a result. High sediment loads already exist in the creek from a natural landslide. This problem will be greatly exacerbated by new logging. Sedimentation from logging and roads will reduce the productivity of this fishery if not destroy it completely.

For additional information:

Connie Stewart, Northcoast Environmental Center, 707/822 6918



Healthy old growth in a key watershed.
(Anthony Ambrose)



In the Henry Fire Salvage, on the Six Rivers, several live large trees were cut, almost all with zero fire damage. (Anthony Ambrose)

Klamath National Forest

3. Canon Green Timber Sale

Ranger District	Volume (mmbf)	Project Acres	Logging Acres
Scott River	12.6	2,190	2,190

Location

This sale is located in the watersheds of Canyon and Kelsey Creeks, approximately 15 miles west of Fort Jones.

Impact

This is a predominantly green tree timber sale. Most of the timber volume will be produced from thinning live trees. The Forest Service proposes experimental "sanitation" logging in true fir stands to reduce the incidence of disease. In fact, research indicates that logging may increase the incidence of root diseases. Large older trees have been marked for logging in this sale. While the Forest Service sees these larger trees as defective due to nonfatal diseases, they are in fact favored by wildlife. Weaknesses in the trees provide nesting sites for cavity-nesting birds.

In practice, "sanitation" logging means logging old growth. Logging of uplands in the Canyon and Kelsey Creeks that have been identified by scientists as significant "Late Successional Old Growth" is misguided and could violate provisions of the Northwest Forest Plan. The Northwest Forest Plan allows logging of old growth only when nearby reserves have grown into useful habitat for old growth dependent species. In this case, several decades will pass before nearby Late Successional Reserves are suitable for old growth dependent species. Therefore, logging of old growth outside the Reserve in the Canon sale poses greater risks to already threatened wildlife.

Logging in the Canyon and Kelsey Creek watersheds will also be disastrous for fisheries. Both these creeks supply cold water to the Scott River. Cold water is a critical factor for salmon and steelhead stocks which are proposed for "threatened" listings under provisions of the Endangered Species Act. Logging in the vicinity of creeks and streams reduces shading which increases water temperatures to deadly levels for salmon.

Another major concern with the Canon sale is the proposed construction of 1.65 miles of road in earthflow terrain. Experience in this drainage demonstrates that intensive logging and building roads on steep earthflows increases landsliding by several orders of magnitude. The steep, unstable slopes between Lover's Camp Roadless Area and Box Camp Roadless Area have seen large landslides before, after intensive logging in the 1960s. Under the Northwest Forest Plan, these areas should be protected from road building and intensive logging.

For additional information:

Felice Pace, Klamath Forest Alliance 916/467 5405



Marking for logging unit boundary indicates that logging will occur in the stream. (Felice Pace)



Targeted old growth. (Felice Pace)

Klamath National Forest

4. Dillon Salvage Sale

Ranger District	Volume (mmbf)	Project Acres	Logging Acres
Happy Camp	26	6,529	2,176

Location

Dillon Creek is located about 12 miles northwest of the town of Orleans on the California side of the Siskiyou Mountains, in the heart of Wild Siskiyou.

Impact

Dillon Creek is one of the most pristine watersheds remaining in California. The Clinton Northwest Forest Plan designated Dillon Creek a Key Watershed and established a Late Successional Reserve in the heart of the watershed. It is one of only six streams in California that continues to support summer-run steelhead. It contains old growth forest habitat that is critical to increasingly rare forest carnivores, such as Pacific fisher and marten. In addition, Dillon Creek is a forest habitat linkage between the Siskiyou and Marble Mountain Wilderness Areas.

The Forest Service plans to log as much as 26 million board feet of timber from this drainage including many trees that are green and healthy and trees located in Riparian and Late Successional Reserves. Logging is also planned in the Dillon Roadless Area.

The Dillon Timber Sale is being promoted as an emergency measure to avert a "forest health" crisis looming from the threat of catastrophic fire. However, data in the Dillon LSR Assessment (LSRA) do not confirm a forest health crisis because there is no pattern of catastrophic fire in the Dillon area. Historic data on fire patterns in the LSRA, shows only 7-8 percent of the LSR burned at high intensity and only 4 percent at moderate intensity. The other 88 percent burned at low intensity or not at all. These observations do not suggest a forest health emergency. Instead, they show fire functioning as a natural and essential part of a healthy forest ecosystem at Dillon Creek.

In fact, data from Dillon Creek suggest that there is a strong correlation between areas that were once clearcut, and areas that experienced high intensity fire. The evidence suggests that logging increases the intensity of fire in an area that otherwise is quite resistant to high or moderate intensity fire. This is because debris left after logging provides fuels and contributes to the intensity of fire. The Dillon sale will probably not generate enough revenue to pay for the clean up of logging debris.

For additional information:

Felice Pace, Klamath Forest Alliance 916/467 5405
Ryan Henson, California Wilderness Coalition 916/758 0380

Klamath National Forest

5. Taylor Salvage Sale

Ranger District	Volume (mmbf)	Project Acres	Logging Acres
Salmon River	12	987	987

Location

This sale is in the South Salmon River watershed 8 miles northwest of Cecilville.

Impact

The Forest Service is planning to cut over 12 million board feet of timber from a Late Successional Reserve that borders the Trinity Alps Wilderness. Some of the logging units will abut the Wilderness area. According to a July 9, 1996 letter from the Salmon River District Ranger, "The map used during EA preparation had mistakenly not shown this area as inventoried roadless." In fact, the Taylor timber sale will enter the Orleans Roadless Area. The watershed supports numerous sensitive species including the coho salmon and the Klamath Mountain Province steelhead - both proposed threatened species.

For additional information:

Ryan Henson, California Wilderness Coalition, 916/758 0380

Paul Spidler, Western Ancient Forest Campaign, 916/758 0380



Dillon Creek: deep, clear pools of cold water near the mouth demonstrate this area's importance to anadromous fisheries. (Anthony Ambrose)

Shasta-Trinity National Forest

6. West Weaver II Green Timber Sale

7. West Weaver Thin Green Timber Sale

Ranger District	Volume (mmbf)	Project Acres	Logging Acres
Hayfork	2.87	308	101

Location

These sales are located a few miles northwest of the town of Weaverville in the West and East Weaver Creek drainages on the edge of the Trinity Alps Wilderness.

Impact

These sales along with Weaver I (logged in the fall of 1995) were originally part of one larger sale that was planned for 1991 but was delayed because of its impacts on the spotted owl. The sale area is on the edge of the Trinity Alps Wilderness, and cutting units are proposed right up to the Wilderness boundary. It is also on the edge of the Canyon Creek Key Watershed. Because the older stands in adjacent private ownership have already been cut, the Forest Service controls the last remaining older stands in the area. The Forest Service's own specialists have recommended dropping all or portions of units because of their impact on the remaining late successional stands, and even suggested retaining as much of this seral stage as possible because "old growth timber is currently not available at the minimum recommended levels."

Several old-growth dependent species are located in the sale area, including the Pacific fisher and northern goshawk. There will be a direct impact on these species because of the loss of 45 acres of suitable habitat. In the areas where the Forest Service is retaining trees, they are "high-grading" by selecting trees to be cut averaging over three feet in diameter and retaining trees averaging one and half feet in diameter. If the intent of a thinning sale is to reduce the risk of fire, then the agency should be removing the smaller understory trees and maintaining the larger canopy trees. Marking in the units shows the opposite to be true.

Finally, the Forest Service claims that riparian reserve widths for the units will vary from 100-200+ feet. The flagging in one unit, however, provides a riparian buffer of only 20 feet from the flowing water.

For additional information:

Anthony Ambrose, Citizens for Better Forestry
707/677 3018



In one unit, the average tree marked for retention is about 18" d.b.h., while the trees to be logged average 38", such as the large tree on the right. (Anthony Ambrose)

Shasta-Trinity National Forest

10. Sun-Slipper Green Timber Sale

Ranger District	Volume (mmbf)	Project Acres	Logging Acres
Weaverville	4.5	N/A	N/A

Location

This sale is located in the Coffee Creek and Bear Creek drainages approximately 10 miles north of Trinity Center. It lies on the eastern edge of the Trinity Alps Wilderness.

Impact

This sale combines the former Sunflower and Slipper sales. The Sunflower logging units are wedged between the Trinity Alps Wilderness and a Late Successional Reserve. The Slipper units are located along a corridor that cuts five miles into the wilderness on forest land that was originally a part of the Salmon Trinity Primitive area. The sale involves selective cutting on several hundred acres — including marten and Pacific fisher habitat — and will log up to the edge of the Wilderness. Connectivity of suitable habitat will be significantly reduced. The Environmental Assessments for these sales were completed in 1991 and 1989, respectively. The projects were halted because of the northern spotted owl injunction. This green tree sale has been reoffered under P.L. 104-19, the Rescissions Act Logging Rider, to avoid public comment and other legal requirements.

For additional information:

Ryan Henson, California Wilderness Coalition, 916/758 0380
Paul Spidler, Western Ancient Forest Campaign, 916/758 0380



The standards of the Northwest Forest Plan have not been followed closely, as in this case of clearcutting into a stream channel, ignoring riparian reserve buffers. (Anthony Ambrose)

Mendocino National Forest

11. Blands/Steel Salvage Sale

Ranger District	Volume (mmbf)	Project Acres	Logging Acres
Covelo	4	7,000	N/A

Location

This sales lies within the watershed of the Middle Fork of the Eel River, a Key Watershed in the Northwest Forest Plan.

Impact

The Middle Fork Eel River is a State and Federal Wild and Scenic River, and home to the largest remaining population of California's threatened summer-run steelhead. These salmon-sized trout wait out the summer months in the deep pools of the Middle Fork until Fall rains send them upstream to spawn. Their survival depends on clear cold water entering the Middle Fork from its tributaries throughout the summer. This watershed is known for its steep, unstable slopes and erosive soils which have been highly degraded by decades of logging and road building. Its "hummocky topography, steep bare rock faces are indicative of landslides or debris slides . . . [and] reflect the extreme instability of the slopes of the Middle Fork Eel River" (Summer Steelhead Management Plan, Pg. 14). In fact, the Middle Fork's yield of suspended sediment per square mile is already fifteen times that of the Mississippi River (ibid). Under the Wild and Scenic River Act, the Forest Service has a legal mandate to ensure recovery and protection of the Middle Fork Eel's dwindling fishery. Despite evidence that logging steep, unstable and fragile soils within this watershed would cause increased sedimentation and further loss of fish habitat, the Blands/Steel salvage sale proposes logging scattered over 7,000 acres.

The proposed salvage sale would include the construction of new roads in the heart of this canyon. These roads would provide greater human access to otherwise inaccessible areas where the steelhead have thus far found refuge from poaching rings. The summer-run steelhead are not the only species threatened by this timber sale. Rather than protecting the upland habitat reserves for old-growth dependent species, the sale proposes to cut the remaining old-growth trees throughout the project area. Of particular concern is logging of old trees near or within Protected Activity Centers for the northern spotted owl.

For additional information:

Don Morris, Willits Environmental Center, 707/459 4715
 Ryan Henson, California Wilderness Coalition, 916/758 0380

Mendocino National Forest

12. Kop/Gibson Green Timber Sale

Ranger District	Volume (mmbf)	Project Acres	Logging Acres
Stonyford	6	722	N/A

Location

This sale is located in the headwaters of the Eel River, due west of the town of Elk Creek, and between Willows and Covelo.

Impact

According to the recently released Environmental Assessment, Kop/Gibson will violate the Northwest Forest Plan's Standards and Guidelines for unmapped Late Successional Reserves by removing 158 acres of suitable spotted owl habitat from all ten unmapped LSRs within the sale area. The EA further admits that "[t]he habitat of the spotted owl, goshawk, marten, fisher, and pileated woodpecker is naturally fragmented on the Mendocino National Forest. The habitats have been further fragmented from past timber harvesting on both public and private lands. The combination of the Kop, Gibson and the Flat Timber Sales will cause more fragmentation of these species habitat." This timber sale should not be allowed to further fragment known spotted owl nesting areas in light of the Upper Main Eel Watershed Analysis' conclusion that Northern spotted owls in the area are suffering from "a downward population trend or a lack of habitat." The Forest Service has failed to consider the adverse cumulative and secondary effects of the Kop/Gibson timber sale.

For additional information:

Don Morris, Willits Environmental Center, 707/459 4715

Mendocino National Forest

13. Coyote Salvage Sale

Ranger District	Volume (mmbf)	Project Acres	Logging Acres
Covelo	N/A	N/A	N/A

Location

This sale is approximately 15 air miles southeast of Covelo.

Impact

The Coyote sale will remove approximately 400 thousand board feet of windthrow salvage in a Late Successional Reserve of a Key Watershed. Natural forests need insects, disease, and dead and dying trees to be whole and "healthy". The dead trees are targeted by micro-organisms that quickly begin to reduce the trees to their basic elements, providing nutrients to the soil. By exporting all the dead and dying trees from the forest, the Forest Service is compromising the fertility of the system.

The Forest Service intends to remove windthrow trees that have fallen on roads. However, one of the management goals of Key Watersheds is to close existing roads. To this end, fallen trees are beneficial. Fallen trees should not be considered as salvage but rather as material needed for watershed restoration.

For additional information:

Don Morris, Willits Environmental Center, 707/459 4715

Ryan Henson, California Wilderness Coalition, 916/758 0380



Bare landscape remaining after a salvage logging operation. (Anthony Ambrose)

Lassen National Forest

16. Hamilton Salvage Sale

17. Too Flat Salvage Sale

Ranger District	Volume (mmbf)	Project Acres	Logging Acres
Eagle Lake	17-27	19,200	9,800

Location

The Hamilton is located south of Highway 36, approximately six miles southwest of Susanville. The Too Flat is located four miles southwest of Susanville.

Impact

The scoping document for these two sales states that four Spotted Owl Habitat Areas (SOHAs), two Protected Activity Centers (PACs) for spotted owl, and five Goshawk Management Areas (GMAs) will be logged. Within these habitat areas alone, the salvage project calls for the following intensive silvicultural treatments: 5,100 acres of salvage logging, 1,197 acres of biomass-thinning, 939 acres of hand thinning and grapple piling, and construction of an undisclosed number of new roads.

These areas constitute some of the last remaining habitat for these sensitive species. These sales violate existing Forest Service guidelines (CASPO interim direction) which permit only "light fuels management activities" within SOHAs and PACs and only one commercial entry during the interim period. These activities are not "light" and the scoping letter indicates that portions of the project area have already been salvaged within the interim period. In addition, by implementing draft direction from the California Spotted Owl Draft EIS, these sales violate requirements of NEPA which prohibit implementing draft direction.

Not only do these sales threaten critical habitat for several sensitive species but they also threaten a key dispersal corridor for forest carnivores in the northern Sierra. The Hamilton-Fredonyer ridge system, within the project area, has been identified by Forest Service furbearer experts as a key habitat link. Maintaining the habitat quality of this area is key to its continued use by these species. In turn, it is only by maintaining connections among subpopulations that the long-term viability of these populations can be protected.

For additional information:

Linda Blum, Quincy Library Group, 916/283 1230

Lassen National Forest

19. Butt Creek Management Area, Part II, Ruffa and Lost Lake Compartments Green Timber Sales

Ranger District	Volume (mmbf)	Project Acres	Logging Acres
Almanor	5.5	N/A	N/A

Location

These sales are located adjacent to the Butt Mountain Roadless Area.

Impact

The Butt Creek II activities have illegally been placed under the jurisdiction of P.L. 104-19. The Forest Service admitted that this is a green sale in an April 3, 1996 letter from the District Ranger stating that the sale will log "11.2 million board feet of green timber and chips on 1,760 acres." Not only are these green tree sales, but they were part of the ten-year green tree sale program prior to P.L. 104-19. On page 7, under "C. Purpose and Need", the Butt Creek II EA acknowledges that the Butt Creek Management Area, Part II, proposed action is an implementation of the Forest Plan and a continuation of earlier planning efforts.

Also of major concern is the Ruffa analysis area's incursion into the Butt Mountain released roadless area. The Butt Mountain Roadless Area was designated a Further Planning Area under R.A.R.E. II. According to NFMA implementing regulations, all first entries into roadless areas must be addressed in an EIS that assesses the potential wilderness, wildlife, aesthetic, and other values of preserving the roadless area.

A key issue is how these sales affect the Quincy Library Group, a unique community-consensus process involving environmentalists and people working in the timber industry. These sales violate the Quincy Library Group's off-timber base designation by entering a roadless area. This violation undermines the progress the Group has made in resolving issues affecting the Lassen National Forest.

The biological evaluation that was prepared for this project clearly shows that wildlife habitat of species that the Forest Service recognizes as sensitive, such as goshawk, great gray owls, and furbearers, will be altered. It also suggests that six California spotted owl sites may be adversely affected. In addition, 4.8 miles of new roads will be constructed.

For additional information:

Linda Blum, Quincy Library Group, 916/283 1230

Tahoe National Forest

21. Treasure Salvage Sale

Ranger District	Volume (mmbf)	Project Acres	Logging Acres
Sierraville	20	22,880	14,180

Location

This sale is located approximately two miles southeast of Sierraville.

Impact

According to a scoping letter, dated January 23, 1996, by the District Ranger, "[c]urrently approximately 25% of the timber in the analysis area is dead or dying." This means that the vast majority of trees logged will be live, green trees.

Of great concern is the prescribed logging in a streamside management zone (SMZ). Forest Service regulations require a 150 foot buffer to be maintained along all perennial streams. This project prescribes logging 36 acres in the Rice Creek SMZ. The Forest Service claims that the concentration of dead and dying trees in the SMZ justifies this highly experimental approach to fire risk reduction. However, the reduction of present shading through logging would likely increase the fire risk. In addition, logging would greatly jeopardize the other important benefits provided by dead and dying trees in riparian areas, including reducing blowdown, buffering micro-climates, and providing habitats in the form of down wood.

The Treasure Sale also includes over 27 miles of permanent road construction in a watershed that is already heavily roaded.

For additional information:

James Woods, Sierra Club, 916/273 3793

Stanislaus National Forest

23. Irish Salvage Sale

24. Cupid Salvage Sale

25. O'Manuel Salvage Sale

Ranger District	Volume (mmbf)	Project Acres	Logging Acres
Calaveras	6.5	2,980	2,200

Location

These sales are just north of Highway 4 and near the towns of Arnold and Hathway Pines.

Impact

Sales on the Stanislaus confirm that the Forest Service is focusing on green, thinning sales in the absence of "dead and dying" timber to cut. According to Groveland District timber management officer, Jack Myrick, the Forest Service has condensed their regular green sale program for the next five into an 18 month period to take advantage of the funding available under PL 104-19.

These three sales on the Calaveras District are significant because each one is essentially a "green tree" sale. According to district staff team leader, Carolyn Madden, there is almost no "dead and dying" component in these sales since the area has already been salvaged. While the stated purpose of the sale is to reduce the fire risk in the urban-rural interface by thinning out trees from 2,200 acres, the sales also includes 440 acres of clearcuts. Clearcuts have no known fire risk reduction purpose; in fact, the regeneration of dense even-age stands that occurs on clearcuts drastically increases fire risk.

In addition to clearcuts, the 8.8 miles of new road are a tremendous concern. Numerous hydrologists and geologists have demonstrated that new road construction has a significant negative impact on water quality and the overall habitat value of downhill streams. Salmonid species need clear streams to spawn, and road building in the uplands increases sedimentation in these streams. It does not appear the Forest Service has adequately assessed the impacts of these additional roads on nearby streams. Furthermore, this road building will add to the existing impacts of years of aggressive salvage logging in the area.

These sales prescribe logging 119 acres in three Spotted Owl Protected Activity Centers and one goshawk territory. Underburning is highly effective at reducing fuel loads, but has far milder impacts on wildlife than logging prescriptions. The Forest Service has not tried to thin these stands with a series of low intensity prescribed burnings. Allowing the Forest Service to reduce fuels through thinning opens the door to logging of the valuable larger trees.

For additional information:

Peter Bell, Foothill Conservancy, 209/296 5734

Sequoia National Forest

27. Red Helicopter Salvage Sale

Ranger District	Volume (mmbf)	Project Acres	Logging Acres
Tule	1.5	N/A	N/A

Location

The sale includes areas adjacent to the Slate Mountain Roadless Area.

Impact

The Sequoia National Forest is not experiencing a "forest health" crisis. In fact, this Forest like others in California has had a significant salvage program for years. The pre-Rescissions Act salvage program has produced so much salvage that there are few if any dead and dying trees left. Arthur Gaffrey, the Forest Supervisor, in an April 12th address to the Society of American Foresters stated that "[a]t present, neither the Sequoia or Sierra National Forests have a significant amount of dead trees". Without dead trees to cut, this Forest like others has turned to cutting green trees with all the impunity provided by PL 104-19.

PL 104-19 was promoted as a strategy for improving forest health by reducing the risk of catastrophic fire. Residual fuels after logging activities often exceed the amount of natural fuels present before the salvage therefore increasing the fire risk. Logging on the Red Helicopter site will leave a dangerous level of slash and fuels at the site over a ten year period. Thus, the manner in which the thinning of green trees is planned will probably increase the risk of fire.

For additional information:

Carla Cloer, Sequoia Alliance, 209/781 8445

Ray West, Tule River Conservancy, 209/542 2203



*Green tree logged as salvage from riparian reserve.
(Anthony Ambrose)*

IV. Salvage Sales Under the Logging Rider in California for FY 1996

(Sale names and volumes are from the United States Forest Service's Sales Tracking and Reporting System as of June 25, 1996)

Forest	District	Sale Name	Planned (mmbf)	Offered (mmbf)
<u>Eldorado</u>	Amador	NW Road Danger Tree Salvage	1.000	
		Road Danger Tree T.S.	1.250	
		SE Road Danger Tree Salvage	1.000	
	Georgetown	Clementine Salvage T.S.	3.500	
	Pacific	Monkey Boy Fire Salvage T.S.	500	
		Union Blues Forest Health SA		937
	Placerville	BMW Salvage T.S. SSTS		234
		Cullagain Roadside Hazard Tree	1.500	
		Lincoln Log Multiproduct Thin	4.000	
		Little Middle Thinning T.S.	1.300	
		Micestick Road Maintenance Salvage	1.700	
		Phenom Blowdown Salvage	300	
		Snaggletooth Hazard Tree Salvage		3.900
		Forest Total Number 13	16.050	5.071
<u>Klamath</u>	Goosenest	46N10 Roadside Hazard		2.000
		Baird Building and Insect Salvage		770
		Basin Heli Insect Salvage	626	
		Clean-Up Salvage	250	
		Davis Blowdown Salvage		66
		Deer Mtn East Insect Salvage/Thin	1.000	
		Deer Mtn West Insect Salvage/Thin	1.000	
		Devils	1.000	
		Duck Blowdown SSTS		15
		Flat Blowdown Salvage		417
		Herd Insect Salvage	500	
		Louie Insect SSTS		140
		Mountain Blowdown SSTS		72
		North Garner Insect Salvage		509
		Section 32 Insect Salvage		1.156
		Wendy SSTS		151
		W. Haight Blowdown SSTS		177
	Happy Camp	Elbow Heli Salvage	5.600	
	Oak Knoll	Beaver Heli Sanitation	1.950	

Forest	District	Sale Name	Planned (mmbf)	Offered (mmbf)
<u>Lassen</u>	Hat Creek	Crator Windthrow Salvage SSTS	200	
		Eskimo Windthrow Salvage SSTS	2,000	
		Northface Insect Salvage		5,064
		Raker Windthrow Salvage	100	
		Simloki Salvage	4,000	
		Splatter Hazard Salvage		126
		Twilight Insect SSTS		249
		Twin Salvage	300	
		Wilcox	4,000	
		Forest Total Number 32	44,766	17,612
<u>Mendocino</u>	Stonyford	East Side Misc Forest Products	383	
		East Side (R.B. Salvage)	1,500	
	Upper Lake	W.S. Misc Forest Products	339	
		Forest Total Number 3	2,222	
<u>Modoc</u>	Warner Mtn	Bolan Salvage	3,500	
		Bowman Salvage		11,180
		Larry Flat Salvage	500	
		Payne	12,000	
		Shields Salvage		14,280
		Shinn Salvage	2,000	
		Forest Total Number 6	18,000	25,460
<u>Plumas</u>	Beckwourth	Bagley Twin		66
		Blakeless Multi-Product Thin	1,500	
		Buck Thin Multi-Product	3,000	
		Carmen Multi-Product	1,800	
		Crock Multi-Product Thin	4,000	
		Davis Cull 1		72
		Davis Cull 2		84
		Davis Cull 3		51
		Dixie Roadside Hazard SSTS		52
		Dotta Cull Log Deck A		81
		Dotta Cull Log Deck E		19
		Dotta Cull Log Deck F		180
		Dotta Cull Log Deck G		8
		Dotta Cull Log Deck H		54
		Dotta Cull Log Deck J		183

Forest	District	Sale Name	Planned (mmbf)	Offered (mmbf)
<u>Shasta-Trinity</u>	Big Bar	Big Hazard SSTS		936
		Small Salvage	915	
	Hayfork	FY 96 Small Sales	2,600	
		Of Spanky Dee Salvage		375
	McCloud	Flaternapancak		775
		Lookout		4,460
		MC AO		635
		Pilgrm Biomass		6,034
	Weaverville	Small Salvage 96 Shasta	343	
		Small Salvage 96 Trinity	273	
	Yolla Bolla	Small Sales FY 96	3,600	
		Forest Total Number 11	7,731	13,215
<u>Sierra</u>	Kings River	10518	7,000	
		Big Fir Hazard		252
		Dinkey Hazard		126
		Hoffman Blowdown		200
	Mariposa	Cold Texas Hazard	696	
		Fishhook Salvage		6
		Happy Fish Hazard	70	
		Mudge Hazard Timber Sale	20	
		Raymond Blowdown	76	
		Rush	3,400	
	Minarets	Isberg Hazard Fuelwood	80	
		Pack Hazard Fuelwood	40	
		Planned Salvage Misc	1,015	
		Portugeuse Hazard		222
		Strawberry	2,220	
	Pine Ridge	Upper Chiquito	40	
		Big Creek Complexes	1,500	
		Billy Creek Hazard	180	
		Black Creek Thinning	1,500	
		Camp Sierra DFPZ	1,000	
		Dowville Thinning	1,500	
		Garden Hazard		669
		Hook Hazard		420
		Jose South Thinning		215
		Market Hazard	160	
		Sample Meadow LP	500	
		Forest Total Number 26	20,977	3,110

V. Option 9 Green Sales in California for FY 1996

Klamath

Burn Nickel TS
 Dog Hair Thin
 Buckshort Thin
 Windy Timber Sale
 Canon Timber Sale
 Lick Heli
 Poker N92 Timber Sale
 Deadrun Heli
 Greenmill
 South Fork Thinning
 North Zone
 Pot and Cabbage
 Small Diameter
 Total Green Sales

Mendocino

Telephone Pole Timber
 Flat
 Divide Anger
 Salt Log
 Town
 Ice/Powell
 Gulch
 Rocky Top
 Ivory
 Cold Chimney
 Ruppert
 Saddle
 Helicopter
 Howes Oak
 Logan/Cherry Hill

Shasta-Trinity

Papoose Thin
 Hobeeb
 Halls II
 Mop
 Barnes Hazard
 Elk Gulch II
 West Weaver II
 Sun-Slipper Heli
 Divide
 Misery
 Butter Creek Thin
 Station Thin
 Kinsbury
 Horse
 Sea Basin

Six Rivers

Twix Thinning
 Deadwood
 Forest-wide Precommercial Thinning
 Van Horn Thinnings
 Honey II
 Coparrum Thinning
 Hazel Thinning

Protected Activity Center (PAC) - California spotted owl protected activity centers are 300 acre blocks of habitat that are accepted as the most suitable habitat of what is available surrounding spotted owls found outside of SOHAs in Sierra national forests.

Regeneration harvest - Timber harvest conducted with the partial objective of opening a forest stand to the point where favored tree species will be reestablished.

Riparian area - A geographic area containing an aquatic ecosystem and adjacent upland areas that directly affect it.

Riparian Reserves - Designated riparian areas found outside the Late-Successional Reserves.

Spotted Owl Habitat Area (SOHA) - An area reserved from timber harvesting to provide forest habitat for one pair of spotted owls.

Watershed - The drainage basin contributing water, organic matter, dissolved nutrients, and sediments to a stream or lake.

Wild and Scenic River System - Those rivers or sections of rivers designated as such by Congressional action under the Wild and Scenic River Act (Public Law 90-542). Each designated river may be classified and administered under one or more of the following categories:

1. **Wild River Areas** - Those rivers or sections of rivers that are free of impoundments and generally inaccessible except by trail, with watersheds or shorelines essentially primitive and waters unpolluted. These represent vestiges of primitive America.
2. **Scenic River Areas** - Those rivers or sections of rivers that are free of impoundments with watersheds still largely primitive and shorelines largely undeveloped, but accessible in places by roads.

Wilderness - Areas designated by Congressional action under the 1964 Wilderness Act. Wilderness is defined as undeveloped federal land retaining its primeval character and influence without permanent improvements or human habitation. Wilderness areas are protected and managed to preserve their natural conditions, which generally appear to have been affected primarily by the forces of nature, with the imprint of human activity substantially unnoticeable.

For Wildness and Diversity



in the Pacific Northwest

NORTHWEST ECOSYSTEM ALLIANCE

IMPACTS OF THE RIDER ON THE NORTHWEST FOREST PLAN

Since the passage of the Clearcut Rider (PL 104-19), the Gifford Pinchot National Forest has prepared a number of environmentally destructive timber sales that do not meet the legal requirements of the Northwest Forest Plan. For example, of the 20 sales prepared under the Rider, 13 occur within Key Watersheds - areas designated to protect water quality and important fisheries. Few of these sales meet Forest Plan requirements to "maintain existing conditions or implement actions to restore conditions" in Key Watersheds. In fact, the Forest Service acknowledges that logging and road building associated with these sales will cause increased sedimentation, greater peak flows, and other degradation to streams and fish habitat. In other sales, Forest Plan requirements to maintain wildlife habitat are not being met. Problems with the Gifford Pinchot sale program are detailed below. If you have any questions, or would like additional information, citations, or documentation, please feel free to contact Dave Wernitz at 360/671-9950, ext. 14.

Walupt Cispus timber sale (decision notice signed July 1):

The Walupt timber sale will cut over 6 million board feet, including over a hundred acres of old-growth, from the Cispus Adaptive Management Area. Located just outside the Goat Rocks Wilderness, the sale area contains some of the last classic old-growth in the entire watershed. The diverse array of wetlands, rock outcrops, talus slopes, and ancient forests in the area provides habitat for spotted owls, grizzly bears, wolves, lynx, wolverine, fisher, goshawk and 255 other species including 18 listed under the Endangered Species Act. In addition to violating the Northwest Forest Plan and Aquatic Conservation Strategy by cutting old-growth and stream-side forests, the Walupt timber sale will extirpate spotted owls and will adversely impact northern goshawks.

20/35 timber sale (decision notice signed July 12):

The 20/35 timber sale proposes to cut nearly 11 million board feet over 406 acres within the Cispus Adaptive Management Area and Key Watershed. Applying typically unevolved logic, the Forest Service proposes logging suitable owl habitat to create owl habitat. The sale as proposed will destroy remnant habitat necessary for the survival of four owl pairs, adversely impact the Pacific fisher, degrade important stream-side forest, cut steep and unstable slopes, and increase road-related sediment to streams. This sale is out of compliance with the Northwest Forest Plan and does not meet the requirements of the Aquatic Conservation Strategy.

Little White DEMO timber sale (decision notice signed May 15):

The Little White DEMO timber sale cuts more than 7.2 million board feet of old-growth forest from the Little White Salmon Key Watershed. The sale also cuts forest directly from sensitive stream-side areas, degrades water quality in fish bearing streams, eliminates two spotted owl areas, threatens rare and sensitive plant and wildlife populations, and significantly fragments sections of the Little Huckleberry Mountain roadless area (non-RARE II). The Little Huckleberry Mountain roadless area, located adjacent to a 30,000 acre Lava Beds/Red Mountain/Bear Creek roadless area complex, contains one of the largest contiguous tracts of late-successional forest in the area, and an unusually high concentration of uncommon plants, plant communities, sensitive plants, and special habitats. This roadless area provides important habitat for endangered grizzly bear, wolf, goshawk, spotted owl, peregrine falcon, and several amphibian populations. This sale does not meet the conservation objectives of the Northwest Forest Plan or the Aquatic Conservation Strategy.

Jammin' timber sale (comment period ended April 10, decision expected):

The Jammin' timber sale also proposes to log up to 8.3 million board feet from 416 acres of the Little Huckleberry Mountain (non-RARE II) roadless area (see above). Because the Forest Service intends to cut old-growth forest in protective buffers along streams in the roadless area, the Jammin' timber sale will likely have dramatic ecological impacts. The sale area contains steep, unstable areas and geological hazards that are susceptible to management-induced debris flows and landslides. In this heavily over-cut watershed, the roadless area provides one of the only sources of clean, sediment-free water that sustains native cutthroat trout populations. The Forest Service acknowledges that the Jammin' timber sale will "increase presently elevated sediment levels and further degrade poor channel conditions" and that logging on steep slopes will increase run-off and cause "higher peak flows than currently occur." Taking full advantage of the suspension of environmental laws, the Forest Service is disregarding requirements to maintain high water quality, preserve native cutthroat trout habitat, and assess impacts to roadless areas greater than 1000 acres. As proposed, this sale does not meet the Northwest Forest Plan's Aquatic Conservation Strategy.

(360) 671-9950
FAX (360) 671-8429

Suite 316, 1155 N. State St., Bellingham, WA 98225
MAIL P.O. Box 2813, Bellingham, WA 98227-2813

Lodgeberry timber sale (EA comment deadline March 26, decision expected):

The Lodgeberry timber sale proposes building 1.4 miles of new road and logging 1.6 million board feet from 139 acres of the 7,600 acre Horseshoe Roadless Area and the 2,200 acre South Midway Roadless Area adjacent to the Mt. Adams Wilderness. Disregarding the fact that the Gifford Pinchot Forest Plan says clearly and plainly that "timber harvest is not to be scheduled in these areas," the Forest Service plans to fragment nearly two thousand acres of RARE II Roadless Area with this timber sale. In 1990, a federal court ruled that roadless areas "provide a sanctuary to animal and plant species most sensitive to human disturbances" and that projects planned in roadless areas must be analyzed in an EIS. No EIS is planned for this sale. As proposed, this sale does not meet the standards and guidelines of the Gifford Pinchot Forest Plan.

McToo timber sale (EA comment deadline June 27, decision expected):

The Wind River Ranger District plans to cut nearly 7 million board feet and over 200 acres of old-growth from the Wind River Key Watershed. As proposed, the sale will violate Northwest Forest Plan provisions to protect old-growth habitat features, wetlands, water quality, and sensitive and endangered species. The Forest Service intends to cut old-growth on unstable slopes, compact sensitive soils, and increase sedimentation to streams. Surveys for the Larch Mountain salamander and great gray owl were not conducted as required by the Plan. As proposed, this sale does not meet the requirements of the Northwest Forest Plan or the Aquatic Conservation Strategy.

Paradise Hills DEMO timber sale (decision signed June 26):

The Paradise Hill DEMO timber sale will log nearly 4 million board feet of old-growth forest from 118 acres of the Lewis River Key Watershed. Despite provisions in the Northwest Forest Plan to protect water quality in the watershed, the sale will cut sensitive stream-side forest and increase sediment and temperature levels. The Forest Service acknowledges the sale will eliminate two spotted owl areas, and adversely impacts sensitive and endangered plant species and habitat. This sale does not meet the conservation objectives of the Northwest Forest Plan or the Aquatic Conservation Strategy.

Butte DEMO timber sale (decision signed March 28):

The Butte DEMO timber sale will log over two million board feet from 118 acres of the Cispus Adaptive Management Area. The Forest Service acknowledges that the sale will destroy two northern goshawk nests, habitat for sensitive and endangered plants, and cut forests along streams. This sale fails to meet the conservation objectives of the Northwest Forest Plan.

Louie/Rosey timber sale (decision notice signed May 15):

The Louie/Rosey timber sale will cut 4.4 million board feet from 159 acres of the Lewis River Key Watershed. Although Key Watersheds are intended to provide high water quality and the Forest Service acknowledges existing sediment problems in the sale area, the Louie/Rosey timber sale EA anticipates that proposed logging and road building will cause an "increase in sediment that is delivered to streams adjacent to and downstream from the road systems" and could potentially "reactivate the large (slope) failure" in the sale area. The timber sale also employs logging techniques that are expected to cause "increased bank and channel erosion and the ultimate delivery of more sediment" to streams in the Lewis River. As proposed, only two of the nine cutting units comply with the Northwest Forest Plan's Aquatic Conservation Strategy. Even these two units are out of compliance with the Gifford Pinchot Forest Plan.

Greenhorn timber sale (EA comment deadline May 6, decision expected):

The Greenhorn timber sale proposes to log the largest trees from within a late-successional reserve and within buffers intended to protect stream-side forests. The sale will destroy important dispersal habitat for spotted owls and other late-successional associated species, and violates the Northwest Forest Plan by cutting forests older than 80 years old. As proposed, this sale does not meet the Northwest Forest Plan or the Aquatic Conservation Strategy.

Middle Fork timber sale (decision notice signed July 8):

The Middle Fork timber sale is planned in the drastically over-cut Kalama River watershed. During the winter storm events of 1996, cutthroat and steelhead trout habitat in the Kalama River was subjected to high amounts of sedimentation from numerous landslides and debris torrents. Despite full protection of stream-side forests, the FS fisheries biologist concluded that the Middle Fork sale would cause "substantial risk of adverse stream effects and prolonged delays in watershed recovery." This sale does not meet the requirements of the Gifford Pinchot Forest Plan.

GP09SUM.XLS

Gifford Pinchot National Forest

Rider Sales

Information compiled by Northwest Ecosystem Alliance

Priority	Tract #	Sale Name	Type	Status	NIMFP Acres	Abandonment	Impacts
1	Mt Adams	Little White DEMO	timber	DN signed	7.2	Tier 2/matrix	Unroaded area; old growth/stream fragmentation; "taking" 2000; other wildlife; ACS violation
3	Mt Adams	Pace	timber	acid	1.2	Tier 2/matrix	Cutting high elevation old growth; reforestation problems; poor marking guidelines
3	Mt Adams	Falk	timber	acid	32	Tier 2/matrix	Cutting high elevation old growth; adjacent to Mt. Adams wilderness
2	Mt Adams	Janner	timber	BA complete	104	Tier 2/matrix	Unroaded area; biodiversity; fragmentation; cutting old forest along stream; cultural level
5	Mt Adams	Trial	salvage	DM expected	8.2	Tier 2/matrix	Blackwood blowdown; adjacent to large roadless area
5	Mt Adams	Crype	salvage	DM expected	0.2	matrix	25% green; 140 - 170 yr trees, exceeds 60 ac. clearcut
1	Mt St Helens	Paradise Hills DEMO	timber	DN signed	9	Tier 2/matrix	Sediment/temperature degradation of water; "taking" 2000; other adversely impacted
3	Mt St Helens	Middle Fork	timber	DN signed	4.9	Tier 1/matrix	Overall heat; significant cumulative effects; fragmentation; violates 15% standard
3	Mt St Helens	Loose/Rosey	timber	DN signed	1.4	matrix	Cutting old growth; fragmentation of contiguous forest; increased sediment - violates ACS
3	Mt St Helens	Dryot	timber	DN signed	4.4	Tier 1/matrix	Cutting on unstable slopes
5	Mt St Helens	Canyon Creek	C-shield/limb	EA complete	2.6	Tier 1/matrix	Fragmentation of contiguous forest
5	Mt St Helens	Canyon Creek	C-shield	EA complete	1.0	Tier 1/matrix	Cutting old growth in violation of NFP; "taking" 2000; cutting wetlands and streams violates ACS
1	Parkwood	Walnut Clapes	timber/thin	DN signed	6.3	AMA	Clearcutting streams; cutting 2 gullhawk nests; adverse impacts to fisher, amphibians, etc.
1	Randle	Little DEMO	timber	DN signed	2.1	AMA/Tier 2	No biological review of retention areas; poor snag levels
4	Randle	SH-ELK 3	timber/thin	acid	51	Tier 2/AMA	Gullhawk impacts; RR cut will increase sediment - violates ACS; forests older than 80 yrs.
1	Randle	Greenhorn	C-shield	EA complete	0.1	Tier 2/ELR	Logging and roadbuilding in two RARE II roadless areas; harvest where harvest prohibited
2	Randle	Lodgeberry	C-shield	EA complete	3.6	AMA	"Take" four pairs of ovis (permit for 1 pair); adverse impact to fisher; wet, violates ACS
1	Randle	20335	C-shield	DN signed	10.8	AMA	Fragmented old growth
3	Randle	(NSH) EC Ridge	C-shield	acid	1.9	AMA	Three owl pairs below "take"; decrease in snag habitat
3	Randle	SH-Squawk 2	C-shield	acid	0.8	AMA	No response to comments
5	Randle	Scattered	salvage	DN signed	0.1	AMA	Shade will increase sedimentation, fails to adequately survey for sensitive species
2	Wood River	Melton	timber	EA complete	8.5	Tier 1/matrix	

7/22/96

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DEVASTATING LOGGING RIDER IMPACTS ON THE WEST COAST FISHING INDUSTRY

Likely extinction of key Snake River ESA listed salmon populations:

Heroic efforts and hundreds of millions of dollars are being spent to revive ESA listed snake river chinook in the upper Columbia Basin. As many as 25,000 family wage salmon-produced jobs have been lost due to salmon collapses in the Columbia. Meanwhile several "section 318 sales" will proceed under the rider which will wipe out much of the remnants of their historic spawning grounds:

From October 13, 1995, sworn declaration of Jacqueline Wyland, Ph.D., Chief of Environmental and Technical Services Division, National Marine Fisheries Service, Portland, OR (most relevant portions emphasized):

"Listed Snake River fall chinook salmon occur in the Grande Ronde River. Historic estimates for fall chinook salmon in this river are unavailable. *However, current populations are below self-sustaining levels.* Fall chinook spawning success in the Grande Ronde River probably is limited by sedimentation of spawning habitat, loss of pool habitat, and winter icing of the river... These effects are largely due to land management activities both within and outside of the national forest system. Forest management in headwater areas is likely to have increased peak flows and channel disturbance, degrading fall chinook habitat." (Pgs 8 -9)

"Since the Snake River spring/summer chinook salmon were listed as threatened in 1992, NMFS has conducted numerous consultations with the Wallowa-Whitman National Forest. One of the first formal consultations evaluated eleven timber sales in the Upper Grande Ronde River watershed. The Forest Service has identified nine of those same sales as ones that could be released with their pre-consultation terms [under the salvage rider] ... *By allowing these sales to be released with their pre-consultation terms, the level of incidental taking of*



STEWARDS OF THE FISHERIES

these listed salmon species will be increased at a time when their condition is particularly precarious. If these nine sales are released with only their pre-consultation terms, their environmental effects could jeopardize the continued existence of the Upper Grande Ronde River populations of spring/summer chinook salmon. These salmon are an important component of the remnant population of Grand Ronde River spring/summer chinook, which would also be put at greater risk of extinction." (Pgs. 9 -- 10)

Several severely depressed coastal salmon, cutthroat and steelhead stocks will likely be extinguished:

Section 318 sales are "clustered" in areas where coho salmon, searun cutthroat and steelhead stocks are the most seriously depressed and are ESA candidate species, including several runs of vital importance to both commercial and recreational fisheries. The US government as well as the State of Oregon is spending tens of millions of dollars trying to rescue these fish from extinction while simultaneously several "section 318" sales will likely seriously damage or utterly extinguish some of these remnant runs. If these sales proceed it will make a coastwide ESA listing of coho salmon far more likely, and recovery efforts far more difficult, which will mean more coastal fishing closures in order to protect these weak stocks, and hundreds of millions of dollars more loss to our industry.

Sworn declaration of Jacqueline Wyland:

Chetco River sales:

"Logging these sales [in the Chetco River] as originally planned will likely result in significant cumulative adverse effects to adjacent and downstream habitats for KMP steelhead and coho salmon due to the small size of the watershed, the large number of timber harvest units in the watershed, the watershed's steep slopes and unconsolidated soils, and inadequate riparian protection provided by the original timber sale designs." (Pg. 19)

Umpqua River sales:

"Stream buffers included in the timber sale layout for Dead Middleman [one of several sales] are inadequate to protect fisheries and aquatic resources. Unit 1 contains a 700-foot long segment of fish bearing (second order) stream that would receive only a 25-foot buffer. The seven total timber sale units also have approximately 10,000 feet of unbuffered first- and second-order streams. Although many are intermittent, some are very likely fish-bearing streams during part of the year. The fish-bearing streams contain resident cutthroat trout, which are included in the ESU proposed as "threatened." The aggregate effects of this timber sale, when combined with the effects of other Forest Service and BLM '318' timber sales in the South Fork, would adversely affect the anadromous fish resources of the South Fork, particularly Umpqua cutthroat trout." (Pg. 20)

Quotes from the October 3, 1995, letter to Forest Service Supervisor John Lowe:

Five Umpqua River Basin timber sales:

"In that conference, the FS submitted a Biological Assessment (BA) that concluded that the four of the five timber sales were likely to jeopardize Umpqua River cutthroat trout. Although the aquatic screens had been run on these sales, the recommendations made by "Screening and Review Teams" from the Umpqua National Forest and the FS's Regional Office, the recommendations made by these teams were not fully implemented in the timber sale designs. Consequently, significant adverse aquatic impacts remained and the BA concluded that four of the five timber sales were likely to jeopardize Umpqua River sea-run cutthroat trout (the fifth sale, Honeytree, was determined to be 'Likely to Adversely Affect')." (Pg 2 of Memo)

"NMFS does not believe that these particular actions can be modified to completely avoid adverse effects to anadromous salmonids." (Pg. 2 of Memo)

"Like the South Fork Umpqua, many tier 1 key watersheds have already experienced significant timber harvest entry and road-related disturbance in the past, and currently exhibit degraded baseline environmental conditions. *The recent round of watershed analyses, done in key watersheds in 1994-5, confirm that the typical tier 1 key watershed as a whole is barely able to provide the high quality habitats anadromous salmonids need to survive and reproduce; many show evidence of high sediment loads, elevated water temperatures, loss of large woody debris, reduced channel sinuosity, increased channel width, and loss of overall instream habitat complexity.* While usually only a portion of a tier 1 key watershed is fully functional, these 'last best habitats' are critical to the long-term survival of the species, and it is in fact these remaining high quality areas that are most at risk from the 318 sales. *In the Elk River, for example (see list enclosed), the 318 sales are located in the North Fork subwatershed, which has the best habitat conditions and supports the largest salmonid populations. ... High concentrations of 318 sale activity within a proposed ESU are particularly apparent in the Oregon Coast ESU for coho salmon (proposed as "threatened") and the Umpqua Cutthroat Trout ESU (proposed as "endangered").*" (Pg. 3 of Memo)

This Memo also raised serious concerns with 318 sales east of the Cascades in the Willowa-Whitman National Forest as well, some of which are likely to lead to extinctions.

Net fishing closures will result from reduced populations of marbled murrelets:

Marbled murrelets nest only in coastal old-growth forests, but feed out at sea where they sometimes can get caught in commercial fishing nets and drown. Between 90% and 95% of the marbled murrelet's old-growth habitat is now gone, driving it to near extinction. Since the marbled murrelet is listed as "threatened" under the ESA, the commercial offshore net fishery is operated under an "incidental take permit," and accidental catch of these threatened seabirds has been carefully limited.

However, if this seabird becomes downlisted as "endangered" no incident permits will be issued -- the result could be widespread job loss and unemployment among commercial net fishermen coastwide. The more onshore old-growth habitat is lost for the bird's recovery, the more likely it is to be downlisted, thus affecting net fisheries from Northern California to the Puget Sound, WA.

At least 59 rider-revived clearcut sales in murrelet nesting areas (canceled as illegal under the old laws, but which under the rider now no longer apply) must now go forward under their original (previously illegal) terms. According to USFWS scientists, *these timber sales will wipe out 14% of all known marbled murrelet nesting sites in California, Oregon and Washington.* In the Siuslaw, one of the best remaining refuges for the bird in the Northwest, these clearcuts will wipe out 25% of all known nesting sites in the refuge. Altogether, we are talking about **6.4 square miles** of old-growth clearcut right in key nesting areas. All this is after the loss of almost 95% of its habitat already. According to USFWS sworn statements in court:

"In conclusion, it is my belief based upon the best available scientific information that serious and irreparable harm to the threatened marbled murrelet will occur if the Forest Service and BLM sales at issue are harvested.... Murrelet population trends are downward and continue to be of grave concern. We know of no areas where murrelet numbers are stable or increasing. Continued loss of occupied nesting habitat is a primary cause of this downward trend and is the greatest threat to the species' continued survival. Therefore, it is critical to protect high quality occupied nesting habitat such as that contained in these sale units. From the perspective of marbled murrelet conservation and recovery, this high quality habitat is irreplaceable...." (Declaration of Michael J. Spear, Regional Director, USFWS Pacific Region)

These clearcuts make it almost certain that the marbled murrelet will be downlisted to "endangered" in the near future. As timber harvests wipe out more and more of its native old-growth habitat on shore, its numbers will inevitably continue to decline and additional pressure will be placed on the fishing industry to protect the remnants. Downlisting would likely terminate all incidental take permits for the Puget Sound net fishery, ending that valuable fishery -- perhaps forever.

Right now the commercial fishing industry is going to heroic and expensive efforts to avoid even accidental "taking" of these seabirds at sea. Meanwhile federally subsidized operations by the timber industry under the rider continue to wipe out their last habitat onshore. This makes absolutely no sense!

If, through continued loss of habitat, this elusive seabird is forced further toward extinction, then the prospects for ultimate recovery dramatically decrease, the expense of recovery efforts mounts dramatically, and additional pressure on commercial fisheries to save the last remnants will result in major season closures, with considerable economic loss and dislocation coastwide.



**JOINT LETTER BY THE NORTHWEST SPORTFISHING
INDUSTRY ASSOCIATION
and the
PACIFIC COAST FEDERATION OF FISHERMEN'S
ASSOCIATIONS**

Members of the Senate
Capitol Hill
Washington, DC 20515

March 27, 1995

RE: Fishing industry groups oppose "sufficiency language" and mandated timber harvests

Dear Senator:

The Pacific Coast Federation of Fishermen's Associations (PCFFA) is the largest organization of commercial fishermen on the west coast, with member organizations from San Diego to Alaska. We represent working men and women of the Pacific fishing fleet who generate tens of thousands of jobs and are the economic mainstay of many coastal communities throughout the Pacific coast region. We are joined in this letter by the Northwest Sportfishing Industry Association (NSIA), which represents the many sportfishing businesses in the Northwest. There are more than 5,000 such businesses in this region, with several thousand more in Alaska. Between our two organizations we represent several billion dollars annually in economic productivity, and more than 100,000 jobs along the Pacific coast as well as far inland.

We oppose the current Congressional effort to approve "sufficiency language" or to mandate minimum timber harvest levels in the Northwest. However well meaning, these are nevertheless bad ideas. Sufficiency language would simply override all current protections for salmon and other aquatic species. Mandatory timber harvest levels would essentially do the same, since many levels could not be reached without severe damage to other resources. **The result would only be additional degradation of already severely damaged salmon spawning habitat, more economic dislocation within fishing communities, and more lost jobs in our industry.** Salmon throughout the region have already been severely depressed because of past timber harvests done without regard to their environmental consequences. This region cannot afford to go down that road once again.

Members of the Senate
March 27, 1995

We also are a natural resource dependent industry. We are sympathetic to the plight of timber communities, and are not opposed to harvesting timber through the existing Forest Plan or in ways that are legal under current law. **However, it makes no economic sense to harvest timber on the backs of fishermen and at the expense of the jobs and coastal communities which salmon support.** This would be a form of economic suicide for the region.

Federal management agencies already have an aggressive fire salvage program, and all the legal authority they need to implement it. However, they should not be forced by law to move faster than they can complete the necessary environmental assessments and watershed analyses so they can take the proper steps to protect fragile salmon and other aquatic resources. The solution is not "sufficiency language," nor is it mandated levels. The real solution would be to accelerate funding to the USFS and BLM to enable them to more quickly complete the necessary watershed analyses for their own planned salvage and harvest programs.

Sufficiency language and mandated harvest levels are simply bad ideas. If enacted, they would further deplete salmon and other aquatic resources which it is vitally important to protect. They would also further devastate fishing economies throughout the region. They would throw our industry further into economic chaos. They would make it just that much tougher, and just that much more expensive, to restore the Northwest's valuable salmon runs back to full productivity.

We urge you to oppose every attempt to impose "sufficiency language" to override current environmental protections as well as the setting of mandatory harvest or salvage levels on our nation's forests -- whether by appropriations rider, amendment or separate legislation. Thank you.

Sincerely,
Zeke Grader
Zeke Grader
Executive Director
Pacific Coast Federation of
Fishermen's Associations
Liz Hamilton
Liz Hamilton
Executive Director
Northwest Sportfishing
Industry Association (NSIA)

CANYON SALVAGE SALE

DARRINGTON RANGER DISTRICT - MT BAKER-SNOQUALMIE NATIONAL FOREST

Clinton Forest Plan Designation: Independence Late Successional Reserve

Key Watershed: South Fork Stillaguamish River

1300 Acres Planning Area - Insect: Hemlock Looper

In 1991 a hemlock looper infestation defoliated parts of a 1300 acre area within the Canyon Creek watershed, off Mountain Loop Highway, near Olo Mountain. Although a 1300 acre area was affected, only 400 acres have more than 50% defoliation. The sale includes some of the last old-growth in the Independence Late Successional Reserve. Under the Clearcut Rider, this sale is allowed to proceed without citizen challenge.

Environmental Impacts of the Sale

Unstable soils: The Canyon Creek watershed includes steep slopes and unstable soils, leading to a high probability for more slope failures. Past logging activities have instigated several slides in the Canyon Creek watershed. The highest defoliation areas are located right along the creek. Logging these areas will likely cause sedimentation of Canyon Creek and destruction of salmon habitat. Although no new roads are allowed, reconstruction of old roads can still have a devastating effect on the watershed. The Independence LSR already has 1.5 miles of road per square mile, 50% more than is considered marginally acceptable for watershed, fish and wildlife health.

Wildlife: Spotted Owl, Northern Goshawk, Bald Eagle, Mountain Goat, Marbled Murrelet, and Gray Wolf have all been observed within the area. Noise from logging operations will disturb murrelet nesting activities. Snags and coarse woody debris created by the looper has created habitat for many species of birds, amphibians, and reptiles. Because the surrounding areas have a deficiency of these structures, it is important to retain these habitats.

Salmon: Coho salmon, a species petitioned for listing under the Endangered Species Act, is present in the South Fork Stillaguamish, and will likely be negatively impacted by this sale.

Low Elevation and Fragmentation: Much of the sale area is located below 2000 feet elevation. Low elevation old-growth forests are extremely rare, and should be protected. The Canyon Creek watershed is highly fragmented and cut over. The old-growth in the Independence LSR is surrounded by private and federal lands that have been heavily logged. As some of the last remaining old-growth in the watershed, it is critical to preserve the area. Additionally, only 43% of the Independence LSR is old-growth.

Old-growth Habitat : Under the Clinton Forest Plan, salvage logging in Late Successional Reserves (LSR's) should have a "positive effect on late-successional forest habitat." The objective of LSR's is to protect and enhance conditions of late-successional and old-growth forest ecosystems. This unnecessary and destructive logging will have a negative effect on old-growth habitat.

Prevention of Wildfire?: The Forest Service claims that salvage is necessary to prevent future wildfires in the area affected by the loopier. However, stand-replacing wildfires are extremely rare west of the Cascades. The last stand-replacing wildfire in the Independence LSR occurred in 1834. The Forest Service's own studies show that standing dead trees actually retard spreading fires. Furthermore, logging activities may increase the risk of fire by increasing human presence and spark-generating activities and leaving behind logging slash.

Roadless Area: The large block of old-growth forest along the east and northeast sides of Olo Mountain is a 1000 acre roadless area. Many of the highly defoliated areas that the Forest Service is likely to log are located within this roadless area. Roadless areas are so rare that they must be protected.

Forks Recreation Trail Will be Destroyed: The Forks trail is a remnant trail, still enjoyed by countless individuals and families, which used to go from Granite Falls to Three Fingers Mountain. It is located mostly within a patch of high defoliation, and also includes many old-growth green trees as well. In order to reach the highly defoliated area, many healthy green old-growth cedar and hemlock trees must be cut. The recreational experience of this trail will be completely destroyed if this sale goes through.

Effects of the Clearcut Rider on the Democratic Process: Because of the Clearcut Rider, if the Decision Notice is signed on this sale before September 30th, no citizen challenge to the sale will be allowed. This destructive sale demonstrates the need for citizen involvement in timber sale planning and the need to restore our democratic rights that have been removed by the rider. Under the proposed Craig "Forest Health" bill, this area would be allowed to be called an "emergency", and environmental review and citizen input would be shortened or not allowed.



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