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FOREST MANAGEMENT

HEARING

BEFORE THE

COMMITTEE ON ENERGY AND NATURAL RESOURCES UNITED STATES SENATE

ONE HUNDRED THIRTEENTH CONGRESS

FIRST SESSION

ON

THE CHALLENGES AND OPPORTUNITIES FOR IMPROVING FOREST MANAGEMENT ON FEDERAL LANDS

JUNE 25, 2013

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FOREST MANAGEMENT

TUESDAY, JUNE 25, 2013

U.S. SENATE,
COMMITTEE ON ENERGY AND NATURAL RESOURCES,
Washington, DC.

The committee met, pursuant to notice, at 10:05 a.m. in room SD–366, Dirksen Senate Office Building, Hon. Ron Wyden, chairman, presiding.

OPENING STATEMENT OF HON. RON WYDEN, U.S. SENATOR FROM OREGON

The CHAIRMAN. The Committee on Energy and Natural Resources will come to order.

Today the committee meets to give long overdue attention to the issue of managing our Federal forests. In my view too many of our forestry programs are not working for forest-dependent communities, for taxpayers or for the cause of protecting America's natural treasures. The fact is current forestry programs do not provide a stable source of funding of jobs or funding for local communities. Instead of generating revenue, too often Federal forest lands have become a burden to our taxpayers.

Too often valuable timber lands are neglected to the point they become tinder boxes for catastrophic fire. The status quo is unacceptable. So today the committee begins to look specifically at the cause of forestry reform.

One of our Nation's most creative thinkers on the issue, Norm Johnson of Oregon State University, is here from my home State. He's going to be presenting testimony on behalf of himself and Dr. Jerry Franklin. I think it would be fair to say wherever there is a challenging forestry issue, that is where we are lucky enough to have Dr. Johnson and Dr. Franklin. We're very pleased that he could come.

At town hall meetings that I hold across our State, I am told continually of the frustrations of reduced harvest rates, reduction in hazardous fuel programs, and other active management programs on lands held by the Federal Government in the Bureau of Land Management. I know that a number of Senators are here to describe the same experience that they have had.

Over the past two and a half decades the amount of timber produced off Federal forest lands has declined at an extraordinary rate from a high of 12 billion board feet per year in the 1980s to two to 3 billion board feet per year in the last decade. You only need to look at the massive wildfires that are burning in Colorado, New Mexico, and elsewhere through beetle-infested stands and threat-

ened homes to see the consequences of failed management. Meanwhile our resource-dependent communities are losing jobs and they're losing mills that are critical to restoring forest health.

As expected this steep drop in timber production over the last few decades corresponds with a dramatic drop in the number of the Nation's timber mills with a loss of about half of our mills in the last two decades. When those mills go away too often communities lose jobs. Federal forest managers lose customers who buy lumber and wood products that help pay for badly needed restoration.

It has been said more than once here in this committee that the cut needs to go up. We need to get people back to work in the woods. It's an absolute prerequisite to make sure that we have healthy forests and healthy communities. It's our view that this can be done in line with common sense, practical application of the environmental laws.

Now there are 3 recurring themes that have hindered forest management operations around the country.

The first is lack of funding to prepare sales.

The second is environmental analysis and review time associated with the management activities.

The third is litigation that stalls much of the work that is important to actually get done.

In this hearing we're going to explore ways to address each of these 3 challenges and free up resources to get more restoration work done.

The first item is Federal agencies have to do the best possible job of budgeting and planning for forest management. The status quo is spending more and more money fighting wildfires instead of working to prevent those fires is just unacceptable. In a hearing a few weeks ago we made it clear that the Office of Management and Budget ought to drop its obstruction of hazardous fuels reduction funding which is a key element of healthy forest planning.

Just yesterday I had a spirited discussion with the folks of OMB, the Director specifically, so that we can create a plan to fix the problems with our current approach to fire budgeting and stop the pilfering of funding for restoration work and hazardous fuels reductions.

In the same area I have concerns about the amount of money that is spent on overhead in administration. When the Forest Service refers to as its cost pool charges pays for just about everything except the actual work on the ground that makes a difference. The Forest Service has also identified this as a problem, but according to the agency's last budget documents last year, the Forest Service spent 18.2 percent of their forest products and restoration funding on overhead.

In contrast, it's our understanding that other agencies in the Department of the Interior and USDA spent about 10 percent on overhead for these programs. If the Forest Service cuts its overhead to just those levels an additional 24,000 acres could receive commercial thinning just from the forest products and restoration account savings. If the agency devoted all the savings generated across the agency's programs to commercial thinning, and of course, I wouldn't say that is a realistic target any time soon, the Forest Service could thin an additional 485,000 acres per year.

The second area we're going to look at is how agencies can reduce the upfront cost of planning forestry management projects. The last time it was measured apparently the Forest Service spent $356 million on the needed environmental review of the projects—some 70 percent of Federal forest management project costs are environmental analysis and document preparation.

So the question on this point is, is there a way to improve the NEPA process to reduce the, frankly, staggering costs in the planning time without short-changing the important environmental protections in the law?

Finally, once timber sales or management decisions are complete there ought to be a way to address the prospect that there may be protests or litigation. In my part of the world folks, have seen that collaboration is one way to bring the cut up just as we've seen in Eastern Oregon while reducing the number of lawsuits.

I particularly want to commend Chief Tidwell's point for stressing at every opportunity, as the Chief has, the value of collaboration because what we've seen in Eastern Oregon is we had a historic agreement between the environmental community, between industry and environmental folks. It's yielded significant progress on the ground with more collaboration and agreement leading to more landscape scale efforts.

We're pleased that the agency announced a 10-year stewardship contract for the Malheur where a collaborative has been working very hard to address forest restoration needs. We're going to keep working with the parties and the Chief on the East side to advance those efforts and look at the rest of our State and country.

Let me wrap up also by way of saying that we want to hear about creative approaches to reduce the number of protests to the projects and to get the thoughts of our witnesses with respect to the other challenges in Oregon starting with the O and C lands.

The Oregon and California lands are truly unique both in their legal history and their status going back to the 1937 O and C Act. The idea was to provide stable revenues and jobs for communities affected by what is a unique and, for all practical purposes, crazy checkerboard of public and private ownership. But since the Northern Spotted Owl listing in 1990, timber harvests have plummeted and the Bureau of Land Management has not been able to significantly get the volume of harvest up.

So we are very anxious to hear, particularly from Dr. Johnson, about some of the innovative work that they're doing there to look at riparian areas, the work done for the Fish and Wildlife Service, and particularly the effort to get more inter-agency coordination.

Despite that, the sales are still tied up with protests and litigation and a number of obstacles ahead: Endangered Species Act listings, Federal survey and management requirements, that are a much larger burden than certainly were anticipated, and as mentioned, the checkerboard pattern of ownership.

So I will shortly be jumping in with legislation that builds on the work that's been done by the Oregon delegation and Governor Kitzhaber and look forward to hearing from Dr. Johnson and the BLM on this as well.

We've had a number of witnesses make the long trek from the West. We appreciate that.

Let me recognize Senator Murkowski for her opening remarks. I appreciate the Senators being in attendance and please proceed, Senator Murkowski.

STATEMENT OF HON. LISA MURKOWSKI, U.S. SENATOR FROM ALASKA

Senator MURKOWSKI. Thank you, Mr. Chairman.

Before I begin my comments I want to acknowledge our newest member on the committee, who came in while you were speaking. But Senator Baldwin has joined the committee. We're going to miss Senator Coons and his contributions, but know that we will enjoy working with you as well.

I think Senator Heinrich appreciates the fact that he's moved up a chair.

[Laughter.]

Senator MURKOWSKI. He's not sitting at the tail end. But that doesn't mean that participation from that end of the dais is quiet. We appreciate your participation and look forward to it as well.

Mr. Chairman, I appreciate that you have stated that this hearing, as we look at forest management practices is long overdue in your State, in my State. In fact as I look at those who are here today on the committee, we all have a keen interest in ensuring that when it comes to our U.S. forests that we have active management, that we actually do see some harvesting of timber to provide for jobs, economic opportunity. I think far too often we see policies that really do restrict or limit that.

So an opportunity to be discussing this today is greatly appreciated. I think that your opening statement was really quite all inclusive in terms of the issues and the challenges that we have in front of us.

I agree wholeheartedly with you on the importance of increasing the timber harvest on our Federal lands. You've heard me describe the situation in Southeast Alaska before on the Tongass. But I think it bears repeating.

95 percent of the land base in Southeast Alaska is Federal, 95 percent. The Tongass is 80 percent of that Federal land. It's about 17 million acres.

It's larger than West Virginia. Senator Manchin was here just a little bit ago. But the area of the Tongass that we're talking about is larger than his State.

Southeast Alaska is now and has historically been a resource dependent economy directly tied to the Federal land that dominates it. Over the past 20 years the forest industry which was once the second largest industry in the State has been in decline. Both political and economic pressures, increased Federal land withdrawals and more stringent regulatory climate and environmental lawsuits forced the closure of Southeast Alaska's two pulp mills.

The Tongass Land Use Management plan movement toward ecosystem management and the reinstatement of the roadless rule have also sharply reduced our allowable harvest levels leading to a closure of most of the sawmills. We have one, single large sawmill left. That's down in Wrangell. We've got a handful of Mom and Pop operations that are left.

The Chief and I have discussed the situation on the ground there in the Tongass. I look forward to the opportunity in August when you will have a chance to visit some of these.

Mr. Chairman, you noted the declining levels of harvest around the country. In the Tongass, on average right now, we are harvesting just 35 million board feet which is really unacceptable in my view. What's left of the timber industry I've described folks are just kind of hanging on by their fingernails. It impacts jobs, schools, the future of many of my constituents.

So I look forward to a rigorous discussion about the Federal policies and management practices on our Federal lands that are affecting the timber harvest and how we might be working together to remove these obstacles that exist to providing sufficient timber supply, long term, to sustain a vibrant forest industry well into the future.

I'd also like to welcome Mr. Chris Maisch, the State Forester from Alaska. I look forward to your testimony and acknowledge the Chairman's comments that you've come a long way here. We appreciate it. I look forward to not only your comments, but that of the entire panel.

The CHAIRMAN. Thank you, Senator Murkowski. As we have on so many issues, I know we're going to work in a bipartisan way on this as well.

Senator Baldwin was just waiting until Senator Murkowski made her remarks until I was going to give you the boisterous welcome that you really deserve here.

Senator MURKOWSKI. I didn't mean to steal your thunder.

The CHAIRMAN. No, you launched it well. The fact is Senator Baldwin has a long track record of fresh, creative thinking on issues like the environment and health care. You're sitting with Senator Heinrich down at your end of the rostrum. We're going to be running with the right crowd by having these new members with fresh approaches.

The fact is and Senator Murkowski and have touched on it. That's what it's going to take to really address the issue we're talking about here today. When we think about trying to strike the balance between getting the harvest up without compromising our environmental values, I think about places like Wisconsin that have had fresh ideas on these natural resources issues for quite some time.

So I want you to know, Senator Baldwin, we're very pleased that you've joined us. As you know, there's a long link between Oregon and Wisconsin because my predecessor, Wayne Morse, was from Madison, your hometown. We're very proud of Senator Morse, one of two in the Senate, who voted against the Gulf of Tonkin resolution.

So there's a long, long connection between Wisconsin and Oregon. We are very lucky to have somebody who consistently comes up with fresh, creative kinds of ideas to the big issues of our time. We welcome you and your end of the rostrum, with Senator Heinrich. This is going to be the place to be on a lot of these debates. We're glad you're with us.

Let's go.

Chief, you start it off. Let's hear from all of our witnesses. I know there's almost a compulsion to read every word in your prepared statement. If you can just summarize your key views, we'll make your prepared comments a part of the record in their entirety. Then we can get into questions. I think we'll have a fair amount of Senators coming in.

So Chief, welcome.

STATEMENT OF HON. THOMAS TIDWELL, CHIEF, FOREST SERVICE, DEPARTMENT OF AGRICULTURE

Mr. TIDWELL. Mr. Chairman, Ranking Member Murkowski and members of the committee, thank you for the opportunity to be here today to discuss the challenges and opportunities for forest management on our national forests.

I think we've been very clear about the need to restore the resiliency of forest health on our national forests. That's why we came out last year with our accelerated restoration strategy that laid out the need to treat somewhere between 65 and 82 million acres of our national forest to be able to restore the forest health, the resiliency.

Part of that strategy was also to move forward and increase the amount of work we were doing by 20 percent between then and what we put out in 2014. We were on target. Had a great year in 2012 and slowed down a little bit in 2013, but we plan to get back on pace in 2014 to be able to continue to increase the amount of work we're getting done, along with the key outputs such as the board feet that's produced, the miles of stream that are restored, the overall watershed health conditions that are improved.

It is essential that we manage and maintain these forests, not only for the products that they produce, but simply for the health and the water that they produce.

Sixty million Americans rely on the water that comes off of these national forests, and 166 million people visit these forests every year for their recreational activities.

It's a big, key part of their lives.

It's essential that we manage these forests so that it provides for the full mix of multiple use benefits that all of our communities rely on. it's what contributes and supports over 450,000 jobs. So there are challenges.

We've laid out the conditions of our forests. The thing that's adding to that is the changing climate both from a gradual shift in temperatures but also a more abrupt impact from the disturbances that we're seeing whether it's the longer fire seasons we're seeing today, the increase in insect and disease, the extensive droughts that we're dealing with in different parts of this country. These conditions are going to continue, but there are things that we can do to make sure that our forests are more resilient and that so we can actually reduce the impact from these disturbance events.

The other key thing is with the infrastructure. I've said numerous times we have to maintain an integrated wood products infrastructure so that we have people to do the work, to be able to harvest the trees, remove the biomass that needs to be removed from these forests. The infrastructure in a lot of places in this country

we've, like, we've lost it. Senator Murkowski, you mentioned the conditions we have up in Southeast Alaska.

The other key thing we need to focus on is markets. As markets shift and change there's a need for us to be able to not only expand existing markets, but we also need to develop new markets, especially to be able to find economical use of the smaller diameter material that also needs to be removed in conjunction with our timber harvest.

Then the other challenge that we have is agency capacity. Since 1998 our national forest system staff has been reduced by 35 percent. Our forest management staff has been reduced by 49 percent; these are our foresters, our biologists, our engineers.

In 1998 we sold 2.95 billion board feet. We were on target for next year to be at the same level with half the staff. So the opportunity that we have is to be able to continue—we know what we need to do on the forests.

We have the science today. We have the support especially through our collaborative efforts where people understand the work that needs to be done on our forests. That's what's enabled us to be able to move forward, to get more work done, and reduce some of the appeals and lawsuits that have plagued us in the past.

Today our science is so clear that for us to be able to maintain forest dependent species like the Northern Spotted Owl, we need active forest management or we are going to lose critical owl habitat to fires or insect and disease. This is a significant change from where we were a decade ago, we recognize the importance of forest health when it comes to maintaining the viability of these key species.

When we come to the capacity issue, that's where we continue to focus on our NEPA efficiencies. We have several projects across the country where we've been able to demonstrate that by taking a look at larger pieces of landscape like with the forest initiative in Arizona, with the Black Hills project where we did one analysis for 248,000 acres. We're finding that not only is this a better way, but it's much more efficient.

We have a series of pilots that we want to move forward with across the country this year to be able to use those types of models throughout all of our national forests.

The other thing we're continuing to work on is just doing a better job to focus NEPA on the issues that need to be addressed.

The other thing we want to move forward with is improving our objection process to replace our appeals process that in the past has definitely added to the time that it's taken us for to be able to get our projects completed.

Mr. Chairman, I appreciate your having this hearing today. I look forward to working with the committee to find ways that we can increase our efficiencies to be more effective to get more done. I look forward to your questions.

[The prepared statement of Mr. Tidwell follows:]

PREPARED STATEMENT OF THOMAS TIDWELL, CHIEF, FOREST SERVICE, DEPARTMENT OF AGRICULTURE

Mr. Chairman and Members of the Subcommittee, thank you for the opportunity to present the views of the U.S. Department of Agriculture (USDA) regarding national forest management.

The national forests and grasslands were established to protect the land, secure favorable conditions of water flows, and provide a sustainable supply of goods and services. National Forest System (NFS) lands are managed using a multiple-use approach with the goal of sustaining healthy terrestrial and aquatic ecosystems while addressing the need for resources, commodities, and services for the American people. Rural and urban communities depend on the forests for a variety of resources, commodities, and services. For rural communities in particular, national forest management can impact local economic and social conditions. With our many partners, the USDA Forest Service (FS) is working to maintain the functions and processes characteristic of healthy, resilient forests and watersheds. Through delivery of our programs, we continue to maintain and enrich the social and economic environment of our local communities.

Secretary Vilsack and the US Forest Service recognize the importance of increasing the pace and scale of forest restoration in our National Forests. We must manage and restore more acres to reduce the threat of catastrophic wildfire, to address insects and disease and to restore the ecological health of forests for the benefit of all Americans. Today, I will talk about a number of the approaches we are taking to restore and maintain the health of our National Forests.

VEGETATION MANAGEMENT

Our forests are important to all of us, and people understand that forests provide a broad range of values and benefits, including biodiversity, recreation, clean air and water, forest products, erosion control, soil renewal and more. Forests, which cover a third of the country's landmass, store and filter more than half of the nation's water supply and absorb 20 percent of the country's carbon emissions. Our mission of sustaining the health, resilience and productivity of our Nation's forests is critically important to maintaining these values and benefits. Restoring the health and resilience of our forests generates important amenity values. A study by Cassandra Mosely and Max Nielson Pincus, University of Oregon, has shown that every million dollars spent on activities like stream restoration, hazardous fuels reduction, forestry or road decommissioning generates from 12 to 28 jobs. Through implementation of the Collaborative Forest Landscape Restoration Program—which relies heavily on stewardship contracting—the proponents of projects on NFS lands maintained 4,174 jobs and generated $147,485,912 in labor income in FY2012.

I've stated in prior hearings the need for increasing the scope and scale of our restoration efforts in the face of the threats we're facing today from wildfire, insects, disease and invasive species and the compounding implications of a changing climate. More than 40 percent of the contiguous United States is in a moderate or more severe stage of drought—with over 4 percent of those areas experiencing exceptional drought conditions. In addition, insects and disease have weakened the resilience of America's forests. Nationally, approximately 80 million acres of trees are projected to be at risk of severe mortality due to insect and disease. Over the past 10 years in the west, approximately 45 million acres across all land ownerships have been affected by 20 different species of bark beetles.

Facing these threats, we've recognized for some time the importance of increasing our restoration efforts. We continue to explore new and existing tools to become more efficient. In February 2012 the FS outlined a strategy for increasing restoration activities across large landscapes through more efficient implementation of existing programs and policies, as well as pursuing new initiatives. This increase will allow the FS to increase the number of acres and watersheds restored across the system, while supporting existing infrastructure and jobs. Through these efforts, in FY 2012, the FS attained 2.6 billion board feet (BBF) volume sold and exceeded a number of restoration targets such as moving nine watersheds to an improved condition class (the target was five watersheds); decommissioning 2,103 miles of road (the target was 2,028 miles); and restoring/enhancing 3,704 miles of stream habitat (the target was 2,670 miles).

1. National Environmental Policy Act (NEPA) and Landscape Scale Projects

The FS recognizes the need for science-based accelerated restoration and has made significant recent improvements in the pace and scale of its projects on NFS lands. The FS plans to highlight some projects that demonstrate accomplishment of high priority restoration work across a broad scale and/or reflect innovative ap-

proaches and efficiencies in collaboration, project planning, data collection, and NEPA analysis. These projects will serve as demonstration areas and learning centers as individual units develop approaches to accelerate the pace and scale of restoration.

The agency is also saving costs by gaining efficiencies in our environmental review process under NEPA. We are identifying NEPA efficiencies by focusing on improving agency policy, learning, and technology. These NEPA process improvements will increase decision-making efficiencies, resulting in on-the-ground restoration work getting done more quickly and across a larger landscape. The agency has initiated a NEPA learning networks project to learn from and share the lessons of successful implementation of efficient NEPA analyses. The goal of this effort is to ensure that the agency's NEPA compliance is as efficient, cost-effective, and up-to-date as possible. Specifically we are looking at expanding the use of focused Environmental Assessments (EAs), expanding categories of actions that may be excluded from documentation in an EA or an EIS, and applying an adaptive management framework to NEPA.

Our landscape-scale NEPA projects will also increase efficiencies. For example, our Mountain Pine Beetle Response Project on the Black Hills National Forest is implementing a landscape-scale adaptive approach for treating current and future pine beetle outbreaks within a 200,000 acre area. Since signing the decision last December, the forest has sold one timber sale and has two others planned for this fiscal year. Sales for next fiscal year are identified, along with plans to treat existing and newly infested areas in subsequent years. This decision has given the forest greater flexibility in treating existing and new infestations in a timely and strategic manner. All of these efforts are aimed at becoming more proactive and efficient in protecting the Nation's natural resources, while providing jobs to the American people.

On the Tongass, in Fiscal Years 2009 and 2010, the forest received an allocation of funds to be used to plan larger scale projects designed to provide an even flow of timber volume over a 10-year period in order to provide a stable supply. This is part of our effort to successfully transition the Tongass timber sale program from one based on old growth to young growth. The first project in the planning phase is the Big Thorne 10-Year Contract; the NEPA contract was awarded in FY 2011. This project will be offered under the stewardship contracting authority, and is expected to be 100 million board feet (MMBF). The project is expected to combine timber harvest and other restoration and service treatments and the NEPA decision is expected in late 2013.

2. Collaborative Forest Landscape Restoration (CFLR)

The 23 CFLR projects emphasize restoration across large scale landscapes. In addition to finding efficiencies in planning and treating larger landscapes, CFLR emphasizes collaboration. Collaboration with our partners and stakeholders from all interest areas is one of the tools to becoming more efficient through shared development and understanding of the desired condition, objectives, and issues at the outset of projects. In 2012, these projects exceeded the targets for the majority of performance measures.

In Arizona, the Four Forest Restoration Initiative project is contributing to healthier ecosystems, safer communities and supporting rural communities. In addition to a range of other restoration activities, this project has treated hazardous fuels on more than 171,900 acres, produced more than 168 MMBF of timber and more than 878,817 green tons of bioenergy since 2010.

Colorado has two CFLR projects which are having a measurable impact on rural economies. The Uncompahgre Plateau as well as the rest of the lands administered by the Grand Mesa, Uncompahgre and Gunnison National Forests will play a key role in support of the newly opened lumber mill in Montrose. To date, the Uncompahgre project has generated 12 MMBF of timber, and reduced hazardous fuels on more than 11,500 acres. As part of the Colorado Front Range project, Denver Water contributed more than $1,000,000 in 2012 for restoration efforts. Since FY2010, the Front Range project has reduced hazardous fuels on more than 17,000 acres, and generated more than 17 MMBF of timber.

The two CLFR projects in New Mexico—the Southwest Jemez, initiated in 2010, and the Zuni Mountain, initiated in 2012—together have treated fuels on more than 9,900 acres, and generated more than 5 MMBF of timber and more than 3,000 green tons of bioenergy.

The three CFLR projects active in Oregon are building strong relationships between the U.S. Forest Service and forest stakeholders, supporting local industry, and protecting communities from the risks of uncharacteristic wildland fires. The Deschutes project has generated more than 19 MMBF of timber and 56,700 green

tons of bioenergy as products of restoration activities that include more than 31,900 acres of fuels reduction in the wildland-urban interface. The Lakeview Stewardship Project and the Southern Blues Restoration Project, in one year of implementation, produced a combined total of more than 24 MMBF of timber, generated more than 13,000 green tons of biomass, and treated more than 31,000 acres of hazardous fuels.

Three CFLR projects are underway in Idaho, creating measurable shifts in ecosystem resilience and supporting local economies. The Selway-Middle Fork project has sold more than 13 MMBF of timber and harvested more than 2,000 green tons of biomass. The Weiser-Little Salmon Headwaters project, selected for funding in FY2012, has already maintained or generated 136 direct full or part-time jobs. The project plans to generate 50,000 green tons of biomass annually and approximately 25 MMBF of saw timber annually. In FY2012 the Forest completed a major NEPA analysis that approved vegetative treatments on more than 25,000 acres. The Kootenai Valley Resource Initiative, also selected for funding in FY2012, will treat 39,430 acres mechanically over 10 years. The project generated more than 10 MMBF of timber and produced more than 2,700 green tons of bioenergy.

In Washington, the Tapash CFLR has generated more than 23 MMBF of timber and treated hazardous fuels on more than 10,000 acres, and the Northeast Washington Forest Vision 2020 project, selected in 2012, treated 8,012 acres of hazardous fuels.

3. Improved Business Practices

We are reviewing our business practices around timber sale preparation, specifically regarding designation of timber for harvest and accounting for merchantable volume, to determine how to reduce the cost to the government for selling timber.

4. Stewardship Contracting

Although timber sales remain the mainstay of our restoration efforts, stewardship contracting is another critical tool that allows the Forest Service to more efficiently complete restoration activities. Permanently reauthorizing stewardship contracting and expanding the use of this tool is crucial to our ability to collaboratively restore landscapes at a reduced cost to the government by offsetting the value of the services received with the value of forest products removed. In FY 2012, 25 percent of all timber volume sold was under a stewardship contract. Stewardship contracting authorities allow the Agency to fund watershed and wildlife habitat improvement projects, invasive species removal, road decommissioning, and hazardous fuels reduction activities.

All of these efforts help us be more proactive and efficient in protecting the nation's natural resources, while providing jobs to the American people.

SUPPORT OF INDUSTRY

We know we cannot achieve all of this without a strong integrated forest products industry that can use all parts and sizes of trees to help us accomplish our restoration work. Our best opportunity for reducing the cost of these restoration treatments is through timber harvest and stewardship contracting. The benefits of maintaining a robust forest industry flow not only to local communities but also to the Forest Service itself. We rely on local forest contractors and mills to provide the workforce to undertake a variety of restoration activities.

Wood energy projects make forest harvests more economically viable by providing a productive use for woody biomass which previously was a cost to remove. The USDA Wood to Energy Initiative combines programs from the Forest Service and USDA Rural Development to expand renewable wood energy use, from rural community schools, hospitals and National Guard facilities across the country. Wood to Energy projects are underway in Alaska, Oregon, Montana, Minnesota to Maine as well as industrial applications such as the 11.5 megawatt power plant under construction in Gypsum, Colorado. This plant will receive a substantial portion of its wood from a 10-year stewardship contract with the Stoltze Land and Lumber sawmill in Columbia Falls, Montana. This project will replace 100 year old boilers for their wood driers and sell 2.5 megawatts of electricity to the local electrical cooperative.

The FS continues to be a leading agency in the federal government to preferentially select domestically harvested wood products in building construction projects while increasing its commitment to green building standards. All FS building projects incorporate green building principles such as energy efficiency, locally produced wood products, and recycling and reuse of building materials. New building construction and major renovation projects for administration facilities or research

laboratories over 10,000 square feet must be registered and certified using an accredited third-party certification systems.

The FS and USDA, as well as the forest products industry and resource management organizations, support a science-based approach to evaluate the benefits of using wood and wood-based products in green building in the U.S. The inherent benefits of using wood go beyond economic gains. Conservation components such as increased forest productivity, cleaner air and water, and enhanced wildlife habitat will be realized as we actively manage our nation's forests. The process of harvest, transport, manufacturing and use of wood in structures creates less greenhouse gas emissions than other building products such as concrete or steel. ("Life-cycle inventory and assessment research at the Forest Products Laboratory: Wood products used in building construction, U.S.D.A. Forest Service").

The forest products industry workforce is larger than either the automotive or chemical industries, currently employing nearly 900,000 workers. Encouragingly, there have been recent upturns in the housing market and lumber prices, resulting in higher demand and prices for sawtimber. The capacity exists within the current industry infrastructure to meet this increased demand for lumber through adding extra shifts, reopening mills, and efficiency gains. The higher demand and prices for timber will enable the FS to complete more restoration treatments. In spite of flat budgets in the past few years the FS increased the volume sold, from 2.38 billion board feet (BBF) in 2008 to 2.64 BBF in 2012. However, even though we will continue to search for efficiencies, due to increased budget cuts in 2013 and projected cuts in 2014, we project a slight decline in restoration treatments in both years.

Through the recession and downturn in the housing market, the FS has continued to find ways to support local infrastructure. We have increased our funding of the timber sale program over the last 17 years from a low of $180 million in 1995 to $335 million in 2012. The Agency provided timber sale contract relief through price adjustments and contract extensions. We also provided Substantial Overriding Public Interest (SOPI) to grant additional relief for certain qualifying high priced, older contracts; and through SOPIs, we mutually agreed to cancel some contracts. We continued to sell timber at a lower price reflecting market values. Purchasers continued to purchase FS timber at these lower prices, providing more flexibility through combining these lower priced sales with earlier, higher priced sales.

CHALLENGES

At the completion of fiscal year 2012, we were on a trajectory to increase treatment acres, along with timber harvest. In 2013, at a time when lumber prices are increasing and the additional value can help pay for other restoration work, we received a reduced budget with the same reduction projected for 2014. We have had to decrease the amount of acres we could treat, along with timber volume to reflect these budget reductions. This leads me to my final topic, the challenges impacting our Restoration Strategy. In addition to declining budgets, we are facing another active fire year. Costs of fire suppression have increased to consume nearly half of the entire FS budget. In FY 1991, fire activities accounted for about 13 percent of the total agency budget; in FY 2012, it was over 40 percent. In the 1980s and 1990s the 10-year average of suppression costs remained relatively stable, as did the number of acres burned nationwide. This was a wetter period in the United States and fire activity was relatively low. However, beginning in the extreme fire season of 2000, which cost $1 billion, this trend started to change. The cost of the FY 2000 fires alone caused the 10-year average to rise by over $80 million—a 16 percent increase. Since FY 2000, the 10-year average has risen almost every year—from a little over $540 million to over $900 million in 2012.

Post-wildfire rehabilitation costs exceed the costs of suppression by 2 to 30 times as shown in the "The True Cost of Wildfire in the Western U.S. (Western Forestry Leadership Coalition 2010). Over the last two fiscal years the FS Burned Area Emergency Response (BAER) program spent almost $94 million in emergency stabilization efforts on NFS lands immediately after fires to help with erosion, flooding, and other threats to human health and safety, and threats to resources. Treatments were as diverse as hillside stabilization, road protection, hazardous material stabilization, and hazard tree removal, as well as myriad other treatments. And this does not include the long-term costs of reforestation and monitoring.

Staffing within the Agency has also shifted to reflect an increased focus on fire. Since 1998 fire staffing within the FS has increased 110 percent from over 5,700 in 1998 to over 12,000 in 2012. Over the same time period, staffing levels for those dedicated to managing NFS lands have decreased by 35 percent from over 17,000 in 1998 to over 11,000 in 2012. In particular, Forest Management staffing has decreased by 49 percent from over 6,000 in 1998 to just over 3,200 in 2012.

Litigation is another challenge we face in striving to increase our restoration efforts. The Agency fully supports collaboration with our partners and stakeholders from all interest areas as one way to be more efficient, through a shared understanding of the desired condition, across the landscape. The threat of litigation, however, slows down the collaborative process, discourages some parties from participating, and adds to the Agency's overall costs, as our teams try to improve our environmental documentation and decision making to reduce the risk of litigation.

Despite these challenges, we remain optimistic that through collaboration with our many interest groups and officials the FS can improve accomplishment of our restoration objectives. I want to thank the committee for its interest, leadership, and commitment to our national forests and their surrounding communities. I would be pleased to answer any questions you may have.

The CHAIRMAN. Chief, thank you. That's very helpful. I especially appreciate your mentioning the climate issue.

With a concentration of carbon dioxide in the atmosphere having recently passed over 400 parts per million, according to the NOAA analysis. I think that's a point well taken. I appreciate your bringing it up.

Let's go now to Mr. Farquhar, Deputy Assistant Secretary for Land and Minerals Management, Department of the Interior.

STATEMENT OF NED FARQUHAR, DEPUTY ASSISTANT SECRETARY, LAND AND MINERALS MANAGEMENT, DEPARTMENT OF THE INTERIOR

Mr. FARQUHAR. Thank you, Mr. Chairman and Ranking Member Murkowski. I worked in the DNR where Chris is from in the mid 80s. I also spent a number of years in New Mexico. So it's great to see the members in the committee today.

I'm Ned Farquhar, Deputy Assistant Secretary for Land and Minerals Management at Interior. In my position I oversee work done by the Bureau of Land Management and 3 other bureaus. The BLM manages a total of about 60 million acres of forest and woodlands of which about two million acres are the O and C or Oregon and California lands in Western Oregon and about 58 million scattered among the other 11 Western states.

Of these 50 million acres of public domain lands the BLM manages forests to restore and maintain forest ecosystems, reduce the risk of catastrophic wildfire and generate a sustainable flow of forest products to support rural communities.

These forests imported $129 million in economic activity in 2011 through timber sales. They also support local businesses that depend on tourism and outdoor recreation.

In addition to these economic effects, the BLM managed forests help to provide clean water, recreational opportunities for our communities and they also, as the Chairman just said, help store carbon as well.

As the impacts of drought, wildfire, pests and invasive species have grown the BLM has increasingly adopted collaborative and landscape style, scaled approaches to forest management. Working with our partners on strategies such as the Cohesive Wild Land Fire Strategy and the White Bark Pine Restoration Strategy and these, obviously, include the State agencies represented by Chris, but also the Forest Service with whom we work very closely.

In 2012 the BLM conducted nearly 200,000 acres of hazardous fuels treatments, HFR, in forests. In addition to treating 20,000 acres in forests using timber sales as our technique. The BLM uses

a variety of tools to manage its public domain forests including stewardship contracts, timber sales, service contracts and in Colorado, Good Neighbor agreements.

On the topic of the O and C lands, which I know is of great importance to the committee, on the 2.2 million acres of BLM managed Oregon and California grant lands the Department manages the lands under the O and C Act of 1937 to provide a permanent source of timber to protect watersheds, regulate stream flow, to contribute to economic stability and to provide recreational opportunities consonant with the act.

The capacity to offer timber sales on these lands involves a number of complex and sometimes competing goals for resource management. Over the past 3 years the BLM has offered about 650 million board feet for sale generating about $54 million in timber receipts.

In recent years over 5.5 million visitors per year have also come to Western Oregon to enjoy these lands.

Declining timber harvest levels since the early 1990s have affected jobs in Western Oregon and resulted in decreased timber revenues paid to the O and C counties of which there are 18. The Secure Rural Schools Act expiring in last year, in fiscal year 2012 provided supplemental payments to these counties. The BLM has made the payments to the counties for 2012 and the President's budget proposes reauthorization of the Secure Rural Schools Act for the next 5 years.

The complexity of the forest management issues in Western Oregon makes it necessary to address these problems in a collaborative manner to meet the needs of industry and rural communities while protecting habitat for threatened and endangered species and providing recreation opportunities. We appreciate the leadership that Senator Wyden and others have shown toward the development of this collaboration on these issues in a very complex situation.

The BLM is currently implementing 3 secretarial pilot projects with the help of my co-panelist here, Dr. Norm Johnson and his colleague, Dr. Franklin. These pilot projects provide a demonstration of the use of the active forest management techniques in Western Oregon within the BLM's Roseburg, Coos Bay and Medford districts. These ecological forestry pilot projects will help inform BLM's management of the O and C lands to develop future timber sale proposals. As we revise the 6 resource management plans governing management of BLM lands in Western Oregon.

As the BLM moves forward with these revisions we will continue to work with our 25 cooperating agencies and to obtain public input through a series of public meetings.

The BLM is committed to managing both public domain forests and the O and C lands in a manner consistent with applicable authorities. We look forward to continuing to work with the members of the committee and our partners to manage forests and their many resources and values. We thank you again for the opportunity to discuss these programs.

I'll be glad to answer your questions.

[The prepared statement of Mr. Farquhar follows:]

PREPARED STATEMENT OF NED FARQUHAR, DEPUTY ASSISTANT SECRETARY, LAND AND MINERALS MANAGEMENT, DEPARTMENT OF THE INTERIOR

Thank you for the opportunity to discuss the management of forests and woodlands on lands administered by the Bureau of Land Management (BLM), including both public domain lands and the Revested Oregon and California Railroad and Reconveyed Coos Bay Wagon Road Grant Lands (the O&C lands). A total of roughly 60 million acres of BLM-managed lands are forests or woodlands, including 2.2 million acres of O&C forest lands.

PUBLIC DOMAIN FORESTS & WOODLANDS

The BLM manages forests on public domain lands to restore and maintain forest ecosystems, reduce the risk of catastrophic wildfire, and generate a sustainable flow of forest products that can be sold through commercial and salvage timber sales and personal use permits that support rural communities. Resilient forests store and filter water for aquifers and reservoirs, offer opportunities for recreation, provide habitat for thousands of species, store carbon, provide clean air, support timber and other jobs, and provide millions of board feet of lumber and thousands of tons of biomass for alternative energy. According to the Department of the Interior's 2011 Economic Impact Report, timber harvested from public domain forests supported $129 million in economic activity in 2011, and biomass from BLM forests has become part of the feedstock that meets various State and Federal renewable energy portfolio standards. BLM forests also support local businesses dependent on tourism and outdoor recreation. Additionally, the value of forests for biological carbon storage is being increasingly studied and understood and can help the United States toward a better carbon balance.

Extreme drought, wildfires, pests, and invasive species infestations have plagued much of the West over the past decade, causing significant impacts to both forest health and local economies. The BLM has worked collaboratively with Federal, State, and other partners to develop strategies for addressing forestry issues such as the mountain pine beetle outbreak and whitebark pine tree decline. In 2012 fire affected over 287,000 acres of BLM forests and a cumulative 1.7 million acres of BLM forest mortality have been attributed to bark beetles, other insect attacks, and pathogens. Overall, the BLM estimates that about 14 million acres of BLM-managed forests outside of western Oregon are at elevated risk of insect and disease attacks or catastrophic wildfire. In 2012, as part of the Bureau's hazardous fuels reduction program, the BLM conducted restoration and hazardous fuels reduction treatments, including thinning, salvage, and prescribed burns, on more than 465,000 acres of BLM-managed forests, woodlands and rangelands.

Because potential threats to forest health often cross jurisdictional boundaries, the BLM has increasingly adopted a landscape approach to resource conservation and treatments to reduce the buildup of hazardous fuels. The BLM has begun developing vegetation management policies that consider entire landscapes, through integrating a number of programs—including forestry, rangeland management, riparian management, plant conservation, invasive weeds, and fire rehabilitation. This integration should result in more coordinated policies. On BLM managed lands outside of western Oregon, the BLM also offered over 35 million board feet of timber and other forest products for sale and used timber sales to treat over 20,000 acres of vegetation in fiscal year 2012. In addition, the BLM routinely works with partner agencies, organizations, and landowners to engage in land and watershed restoration and hazardous fuels reduction activities on Federal, state, and private lands, and the BLM has used the pilot Good Neighbor Authority in Colorado on projects where small parcels of federal lands were interspersed with state and private lands.

Stewardship contracts, timber sales, and service contracts are tools that the BLM uses to manage our forested lands. Stewardship contracting authority allows the BLM to award contracts for forest health and restoration treatments, including hazardous fuels reductions, for a period of up to ten years and to use the value of timber or other forest products removed as an offset against the cost of services received. The BLM has enjoyed many successes in using stewardship contracting authority, thereby achieving goals for forest and woodland restoration, and conducting both hazardous fuels reduction and habitat restoration treatments. In addition, stewardship contracts create jobs and revenue growth for local communities, and protect local communities from wildland fire. From 2003 through 2012, the BLM entered into over 400 stewardship contracts on approximately 108,000 acres of BLM-managed lands. This important authority expires in September, 2013, and the President's Budget for FY 2014 proposes to make the authority permanent.

THE O&C LANDS

The 1937 O&C Lands Act placed the 2.2 million checkerboard acres of Oregon and California Railroad and Coos Bay Wagon Road grant lands under the jurisdiction of the Department of the Interior. Under the O&C Lands Act, the Department of the Interior manages the O&C lands for "the purpose of providing a permanent source of timber supply, protecting watersheds, regulating stream flow, and contributing to the economic stability of local communities and industries, and providing recreational facilities." The Act also provides that the 18 O&C counties receive yearly payments equal to 50 percent of receipts from timber harvests on public lands in these counties.

After the historic highs in the late 1980s, timber harvests and the associated payments to counties decreased significantly in the mid-1990s due to many factors, including business cycles, industrial logging practices such as outdated clear-cut techniques and herbicide spraying that are not employed today, and a better understanding of conservation requirements for threatened and endangered species such as the Northern Spotted Owl, coho salmon, and marbled murrelet. The 1994 Northwest Forest Plan was developed by Federal agencies in consultation with the public and industry to be a balanced, long-term management plan providing a stable supply of timber along with protection of fish and wildlife habitat for 24.5 million acres of Federal forest, most of which is managed by the U.S. Forest Service, in western Oregon, western Washington, and northern California.

The Department of the Interior continues to manage the O&C lands under the Northwest Forest Plan, along with management recommendations derived from the 2011 Northern Spotted Owl recovery plan, and the 2012 Final Critical Habitat Rule, and a number of court decisions. The BLM's capacity to offer timber sales involves a number of complex and sometimes competing resource management goals, including providing a predictable and sustainable yield of timber and other forest products, maintaining endangered species habitat, providing clean water, protecting older forests, restoring fire-adapted ecosystems, and providing recreational opportunities. Over the last three years, the BLM in western Oregon has offered approximately 650 million board feet of timber and generated over $54 million dollars in timber receipts. During this same period, 32 thousand acres have been harvested on the O&C lands. Over 5.5 million visitors per year come to the BLM-managed lands in western Oregon to enjoy hiking, camping, hunting, fishing, and boating. The BLM's total land management budget in FY 2013 was reduced in total by $69 million from the 2012 enacted level, including a $5.8 million sequestration reduction for the management of O&C lands. Since implementing timber sales requires a 2-3 year planning process, the reduced funding in FY 2013 will impact BLM's capacity to maintain and increase timber harvest levels in 2014, 2015, and 2016.

Declining timber harvest levels, a result of the increasingly complex issues in the area and increasing litigation, have impacted jobs in western Oregon and have resulted in decreased timber revenues paid to the O&C counties. Congress has developed a number of legislative solutions over the years to supplement revenues to counties, including the Secure Rural Schools Act, which was originally enacted in 2000, but expired at the end of FY 2012. If the Secure Rural Schools Act is not reauthorized, payments to the 18 counties in western Oregon will revert to receipt sharing as provided under the O&C Lands Act. The President's 2014 Budget proposes to reauthorize the program for five years beginning in 2013 and continuing through 2017.

Collaborative Approaches

The BLM is aware that in western Oregon, the need for a predictable and sustainable timber supply, local jobs, and revenues for public services provided by the O&C counties must be balanced with the goals of maintaining recreational opportunities, conserving older forests, and aiding the recovery of the Northern Spotted Owl and other threatened and endangered species. Despite decades of controversy surrounding these issues, many in Oregon continue to work hard to develop feasible solutions that meet the needs of industry, rural communities, local governments, and the conservation of habitat, species, and water resources. For example, as provided under Title II of the Secure Rural Schools Act, the BLM has collaborated with Resource Advisory Committees to prioritize and allocate funding for restoration projects. As part of the Administration's ongoing commitment to improve forest health, aid in the recovery of the Northern Spotted Owl, and support economic opportunities for local communities in the Pacific Northwest, leaders from the U.S. Fish and Wildlife Service, BLM, and U.S. Forest Service met in April with employees from all three agencies to articulate a common vision and intent in approaching these goals. In the past year, Governor Kitzhaber; Senator Wyden; and Representa-

tives DeFazio, Walden, and Schrader have initiated collaborative efforts to better understand and address these multifaceted concerns. Because the issues surrounding forestry in western Oregon are both complex and contentious, the various collaborative approaches undertaken by the BLM and others have all met with challenges in reaching consensus among the wide range of stakeholders.

Secretarial Pilot Projects

To promote the maintenance of healthy forest systems in western Oregon, the Department of the Interior has initiated three collaborative pilot projects applying the principles of ecological forestry in the Bureau's Roseburg, Coos Bay, and Medford districts. Ecological restoration—an array of principles and techniques developed in partnership with Dr. Norm Johnson, Professor of Forestry Resources at Oregon State University, my fellow panelist, and Dr. Jerry Franklin, Professor of Ecosystem Science at the University of Washington—applies variable retention harvest techniques that create early successional ecosystems while conserving high-value habitat across large watersheds.

These pilot projects have been underway since December 2010, and have involved collaboration with resource professionals from the BLM, U.S. Fish and Wildlife Service, National Marine Fisheries Service, and the Coquille Indian Tribe, as well as industry and the conservation community. The objective of the pilots is to demonstrate the ecological and economic merits of the restoration strategy outlined by Professors Johnson and Franklin in moist and dry forests. The pilots serve as examples of how active management may be applied in critical habitat for the Northern Spotted Owl, and lessons learned through these pilot efforts will help inform the BLM's approach to future management of these lands.

Resource Management Plans

The BLM is revising the six Resource Management Plans that govern management of the O&C lands. The BLM will continue to have significant engagement with the public in this effort, striving for a cooperative approach to the complex issues associated with managing these lands. The BLM in western Oregon is employing a series of collaborative approaches and meetings to engage over 25 formal cooperators in addition to interested public stakeholders during the current efforts to revise the Resource Management Plans. The revised plans will provide a management framework for O&C lands that furthers the recovery of threatened and endangered species, produces a sustained yield of timber products, provides for clean water, restores fire-adapted ecosystems, and ensures diverse recreational opportunities. In 2012, scoping for the plan revisions was completed, and the BLM has used input derived during the scoping period to determine the Purpose and Need for the planning effort. The BLM has also begun hosting a series of meetings to conduct outreach on issues important to the public as we move forward toward developing a draft. The revised plans will consider lessons learned from the ecological forestry pilot projects, the revised recovery plan and final critical habitat designation for the Northern Spotted Owl, and the 2008 planning effort. As the BLM moves forward with the planning effort, it will also continue to work with Senator Wyden, Governor Kitzhaber, and other leaders in Oregon in their efforts to develop a collaborative resolution to forest management issues in western Oregon.

CONCLUSION

The BLM is committed to managing both public domain forests and the O&C lands in a manner consistent with applicable authorities, including the O&C Lands Act in western Oregon. The BLM will continue to offer timber sales consistent with our Resource Management Plans and the Northwest Forest Plan for the benefit of rural economies and forest health. We look forward to continuing to work with the Committee and with our partners to manage forests and their many associated resources and values on the public lands. Thank you again for the opportunity to discuss the BLM's forest management programs.

The CHAIRMAN. Thank you and also thank you to all the people at the agency helping us with the technical assistance to get that O and C bill ready.

Mr. FARQUHAR. We'll be very happy to help with that, Senator.

The CHAIRMAN. Very good.

Dr. Johnson, welcome.

STATEMENT OF K. NORMAN JOHNSON, DEPARTMENT OF FOREST ECOSYSTEMS AND SOCIETY, OREGON STATE UNIVERSITY

Mr. JOHNSON. Good morning. Thank you for the invitation, Senator Wyden, to speak before your committee.

I'm speaking today for myself and Dr. Jerry Franklin. I must say that the comments represent our own views and not necessarily of our respective institutions. Jerry is at the University of Washington and I'm at Oregon State University.

My testimony today focuses on how we might improve attainment of a key goal of the 1937 O and C Act that set the initial management direction for the BLM O and C lands. That specific legislative direction for a sustained yielded timber harvest that contributes to the economic stability of local communities makes these lands unique, with different responsibilities from our national forests.

In addition the lands are confined within a single State, Oregon, also making them different from other Federal lands.

The Northwest Forest Plan which BLM now operates under designated matrix as a land base for sustained yield management including regeneration harvest. In the face of public protest and litigation though, the agency has retreated to a short term strategy of young stand thinning and fuel reduction while waiting for a political and Administrative decision which will allow it to set a sustained yield level. The current strategy has a limited timeframe, perhaps 15 years, until it will exhaust harvest opportunities. Also, it produces only very modest payments to the counties in which the forests lie.

Our experience suggests that timber harvest will be difficult to sustain unless there are evident, ecological and social benefits. The broad support gained for both plantation thinning and fuel reduction illustrates this concept and explains why BLM has limited its recent harvest activities to those treatments.

With these observations in mind we suggest an ecological forestry approach to the management of the O and C lands, an approach that incorporates principles and natural forest development including the role of natural disturbances. As part of this we first divide the forest into two categories, moist forests and dry forests because of their contrasting disturbance regimes and responses to management and the fundamental need for differing policies with regard to the protection of old growth forests.

Within the last 2 years we've worked with the Department of the Interior and Oregon BLM to design and implement ecological forestry projects on the BLM O and C lands, as Ned just said. We'll discuss below the potential of both types of forests to contribute to our permanent timber supply. Much of our discussion centers on moist forests, the classic rain forest of the Northwest, as they hold most of the timber volume growth and economic value of these lands.

Under the Northwest Forest Plan the matrix is a long term timber supply. Over the last 20 years the affected moist forest matrix on BLM has been significantly reduced for a variety of biodiversity concerns. We estimate that currently at most 10 percent of the

moist forest acreage could be included with some certainty in the land base for sustained yield management.

We also have concluded that reversing these trends and providing a robust, long term timber supply from the O and C lands will require two things.

Utilizing management strategies that provide both ecological and social benefits.

Expanding the land base for long term timber production in ways that sustain environmental values.

As we mentioned our experience suggests that the moist forest regeneration harvest and essential component will be difficult to implement unless there are evident ecological benefits. To restart generation harvest we recommend a silvicultural strategy that utilizes variable retention harvest followed by the nurturing of diverse early seral ecosystems and the growing of stands and rotations long enough for a biocomplexity to occur.

While this strategy will not provide the per acre harvest equivalent to those obtained under intensive management such an approach would provide a permanent timber supply. There are pictures in our report demonstrating these ideas from the pilots. This does not involve the harvest of old growth trees and does not utilize clear cutting.

Given the goals of the Northwest Forest plan and recovery plans for threatened and endangered species the younger forest, outside of Northern Spotted Owl critical habitat is a likely current source of acres for sustained yield management.

We do suggest 3 potential changes that would increase the moist forest land base.

Adoption of a new stream buffering strategy that we helped develop with Dr. Reeves, who took part in the development of the Northwest Forest plan.

Re-evaluate the need for younger stands in the late successional reserves and limiting survey and manage requirements to species known to be in decline.

In addition we recommend that the BLM accelerate its collaborative effort with the Fish and Wildlife to understand the potential role of moist forests variable retention harvest in critical habitat for the Northern Spotted Owl and identify the potential level of activity over the next 5 to 10 years.

In total all of these changes could double or triple the land base for sustained yield management in moist forests.

In dry forests which are around Medford and Grant's Pass are immensely important to the people of Southwest Oregon in many ways. Numerous ecological and social tensions surround their conservation and use. Increasing stand density threaten neighboring homes and communities on the forests themselves. Yet harvests under the restoration strategies often do not yield substantial revenue, making it difficult to pay for actions that are address public concerns and increase forest sustainability.

For these dry forests we need a strategy tailored just to them with retaining and nurturing old trees and other significant structural elements of the dry forest, as a starting point, and the application of ecological forestry. In addition retaining some denser for-

ests and patches scattered to the landscape in an untreated or a lightly treated condition is an important element.

We think that this strategy should be applied across ages, land allocations and locations across the entire matrix and LSRs, inside and outside of critical habitat. In so doing we expect that about one third of the dry forest we retain in denser patches and half to two-thirds would be treated.

In sum these approaches should help address the issues surrounding how to increase timber harvests on the O and C lands while still retaining environmental values.

Thank you.

[The prepared statement of Mr. Johnson follows:]

PREPARED STATEMENT OF K. NORMAN JOHNSON, DEPARTMENT OF FOREST ECOSYSTEMS AND SOCIETY, OREGON STATE UNIVERSITY, AND JERRY F. FRANKLIN, SCHOOL OF ENVIRONMENTAL AND FOREST SCIENCE, UNIVERSITY OF WASHINGTON, WITH THE TECHNICAL ASSISTANCE OF DEBORA JOHNSON, APPLEGATE FORESTRY

I speak today for myself and Dr. Jerry Franklin. These comments represent our own views and not those of our respective institutions.

The BLM in western Oregon administers a collection of land ownerships resulting from various Congressional actions. They include the Oregon and California Railroad Lands, Coos Bay Wagon Roads and Special Act lands, totaling over 2.1 million acres. Collectively, we will call them by their popular name of "BLM O&C lands" (Figure 1)*. In addition, some O&C lands are within the national forests and are administered by the Forest Service, the "Controverted Lands" (approximately 450,00 acres outside of Wilderness) (Figure 1). We will discuss the Controverted Lands later in this report.

Our testimony today focuses on how we might improve attainment of a key goal of the 1937 O&C Act that set the initial management direction for the BLM O&C lands—attainment of sustained yield of timber harvest that enables a permanent source of timber supply and contribution to the economic stability of local communities.[1] By sustained yield, we mean organization of a property for continuous timber production, under the silvicultural prescriptions, rotation ages, and cutting cycles reflective of the goals for the forest (Helms, 1996).

This specific legislative direction for sustained yield of timber harvest that contributes to the economic stability of local communities makes these federal lands unique, with different responsibilities than our national forests. In addition, the lands are confined within a single state—Oregon—also making them different from other federal lands.

As other acts have been passed, such as the Endangered Species Act and the Clean Water Act, managers of O&C forests have gained added responsibilities that have significantly impacted the sustained yield level of timber harvest (Tuchman and Davis 2013). They are currently managed under the Northwest Forest Plan (USFS and USBLM 1994).

Perhaps the most elusive and frustrating part of managing the BLM O&C lands has been failure to establish a sustained yield of timber harvest that enables a permanent source of timber supply as mandated in the 1937 O&C Act. The Northwest Forest Plan, under which BLM now operates, designated "Matrix" as the land base for sustained yield management, including regeneration harvest. In the face of public protest and litigation, though, the agency has retreated to a short-term strategy of young stand thinning and fuel reduction, while waiting for a political or administrative decision that will allow it to establish a sustained yield level and proceed with the harvests to achieve it (Johnson and Franklin 2012, 2013). The current strategy has a limited time-frame (perhaps 15 years) until it will exhaust harvest opportunities; also, it produces only very modest payments to the counties in which these forests lie.

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*All figures have been retained in committee files.

[1] Congress directed that the O&C forests be managed for " . . .permanent forest production. . .in conformity with the principle of sustained yield for the purpose of providing a permanent source of timber supply. . . ., protecting watersheds, regulating stream flow, and contributing to the economic stability of local communities and industries, and providing recreational facilities."

We base on our recommendations on the experience of the last three years in which we assisted the BLM in setting up a number of demonstration projects to help them move beyond the current strategy to one that will be more long lasting. Our experience suggests that timber harvests will be difficult to implement unless there are evident ecological and social benefits—the broad support gained for both plantation thinning and fuel reduction illustrate this concept and why BLM has limited its recent harvest activities to those treatments.

Also, a recent survey of Oregonians showed that they favor ecological forestry approaches to the BLM O&C lands over more traditional intensive management approaches even though they would produce lower harvest and revenue. These results also hold in the downstate counties most impacted by the reduction in O&C harvest (Taylor 2013).

With these observations in mind, we suggest an "Ecological Forestry" approach to management of the BLM O&C lands—one that will provide both ecological and economic benefits now and into the future.

"Ecological Forestry" incorporates principles of natural forest development, including the role of natural disturbances, in the initiation, development, and maintenance of stands and landscape mosaics (Seymour and Hunter 1999, Franklin et al. 2007, Franklin and Johnson 2012). Ecological Forestry is based, therefore, on application of our best current ecological understanding of forest ecosystems in managing these ecosystems to achieve integrated environmental, economic, and cultural outcomes.

We wish today to describe Ecological Forestry concepts and how they can assist in providing a sustained yield of timber harvest from the BLM O&C lands.

RECOGNITION OF MOIST FORESTS AND DRY FORESTS

For management and discussion, we divide the BLM O&C forests into Moist Forests and Dry Forests, because of their contrasting disturbance regimes and responses to management, and the fundamental need for differing policies with regard to protection of old-growth forests and trees (Franklin and Johnson 2012) (Figure 2).

Over the last two years, we have worked with the Department of Interior and Oregon BLM to design and implement Ecological Forestry projects in Moist Forests and Dry Forests on the BLM O&C lands—projects that have both ecological and economic benefits (Johnson and Franklin 2012, 2013) (Figure 2).

We will discuss below the potential of both types of forest (Moist and Dry) to contribute to a permanent timber supply. Much of our discussion centers on Moist Forests as they hold most of the timber volume, growth, and economic value of these lands.

ECOLOGICAL FORESTRY IN MOIST FORESTS

Moist Forest ecosystems undergo many centuries of stand development and change following major disturbances, such as severe wildfire or windstorm, before achieving the massiveness and structural complexity of old-growth forests (Franklin et al. 2002). Composition, structure, and function of existing unmanaged old-growth Moist Forests generally are relatively unaffected by human activities, except at stand edges (Forest Ecosystem Management Assessment Team 1993). Management activities in these existing old-growth Moist Forests, such as thinning, are not needed to sustain desired conditions in these forests and can actually cause old-growth Moist Forests to diverge widely from natural forests in structure and function or become destabilized (Franklin et al. 2002). Wildfire suppression is typically consistent with efforts to retain such forests—i.e., it is not known to result in significant changes in Moist Forest ecosystems (Agee 1993).

Restoration may be needed in Moist Forest landscapes in which old-growth stands are embedded, however. Many Moist Forest landscapes are currently dominated by dense young plantations, which are low in biodiversity and deficient in the early (pre-forest) and late (mature and old-growth) successional stages, which are richest in biodiversity (Wimberly 2002, Spies et al. 2007). Late-successional Moist Forests provide habitat for thousands of species including the Northern Spotted Owl (NSO) (Strix occidentalis caurina) and other habitat specialists (Forest Ecosystem Management Assessment Team 1993); past timber harvests have greatly reduced their extent and continuity (Forest Ecosystem Management Assessment Team 1993, Wimberly 2002, Spies et al. 2007). Continued decline in NSO populations across much of its range have heightened the importance of retaining late successional forests (Forsman et al. 2011).

Early successional or seral Moist Forest sites are highly diverse, trophic-and function-rich ecosystems that develop after a severe disturbance but before the re-estab-

lishment of a closed forest canopy (Swanson et al. 2011). Conceptually, disturbances of either natural (e.g. wildfire) or human (e.g. timber harvest) origin are capable of generating this stage.

Large natural disturbances often produce high-quality early seral ecosystems provided they are not intensively salvaged and replanted (Swanson et al. 2011). However, such disturbances are unevenly distributed in time and space.

Areas devoted to traditional intensive timber production (clearcut, site preparation, dense planting and control of competing vegetation to ensure rapid dominance of the next forest crop on the site) provide little high quality early seral habitat for several reasons. First, few or no structures from pre-harvest stands (e.g., live trees, snags, and logs) are retained on intensively managed sites, although they are abundant following severe natural disturbances (Swanson et al. 2011). Additionally, intensive site preparation and reforestation efforts limit both the diversity and duration of early seral organisms, which are often actively eliminated by use of herbicides or other treatments (Swanson et al. 2011). Consequently, many Moist Forest landscapes currently lack sufficient representation of high-quality early seral ecosystems due to harvest, reforestation, and fire suppression policies on both private and public lands (Swanson et al. 2011, Spies et al. 2007).

Functional early seral habitat potentially can be created using regeneration harvest prescriptions that retain biological legacies and use less intensive approaches to re-establishment of closed forest canopies (Franklin and Johnson 2012). Such approaches would produce more modest timber yields than the intensive management described above but could provide significant ecological benefits.

Given all these considerations, and others, we utilize the following Ecological Forestry strategy for Moist Forests on BLM O&C lands (Franklin and Johnson 2012):

- Retain existing older stands and individual older trees found within younger stands proposed for management, using a selected threshold age;
- Accelerate development of structural complexity in younger stands, using diverse silvicultural approaches;
- Implement variable retention regeneration harvests in younger stands (stands generally less than 80 years of age), retaining such structures as individual trees, snags, and down logs and intact forest patches;
- Accommodate development of diverse early seral ecosystems following harvest, by using less intense approaches to site preparation and tree regeneration;
- Embed the preceding objectives in a silvicultural system that includes creation and management of multi-aged, mixed-species stands on long rotations (e.g., 100-160 years); and,
- Develop landscape-level plans for distributing variable retention regeneration harvests to assure desired placement and appropriate scale of implementation.

Sources of a Permanent Timber Supply from BLM Moist Forests

Under the Northwest Forest Plan, the "Matrix" is the source of long-term timber supply—the part of the BLM O&C lands that has long-term timber production as a goal. Over the last 20 years, the effective Moist Forest Matrix acreage available for sustained yield management has been significantly reduced from that originally identified in the Northwest Forest Plan (Figure 3). Four major reasons for this shrinkage are: 1) Critical Habitat for the NSO covering Matrix (USFWS 2012), 2) Recommended Actions in the NSO Revised Recovery Plan that result in protection of older stands in the Matrix (USFWS 2011), 3) Habitat for the Marbled Murrelet discovered over time in Matrix, and 4) Buffer requirements for Survey and Manage Species. It must be added that public protest of harvest of mature and old forest in the Matrix often predated these administrative actions and effects, contributing in many ways to the shrinkage in this land base. We estimate that, at most, 10% of Moist Forest acreage—the "available" Matrix—can currently be included, with some certainty, in the land base for sustained yield management.

We have concluded that reversing these trends, and providing a robust long-term timber supply from the O&C Moist Forests will require: 1) utilizing management strategies that provide both ecological and economic benefits and 2) expanding the land base for long-term timber production in ways that sustain environmental values. We will discuss each in turn.

Moist Forest Management Strategies That Provide both Ecological and Economic Benefits

As mentioned above, our experience indicates that Moist Forest regeneration harvests—-an essential component of sustained yield management—-will be difficult to implement unless there are evident ecological benefits. BLM has limited its recent

activities in Moist Forests to plantation thinning where such benefits can be demonstrated.

To restart regeneration harvests, we recommend a silvicultural strategy that utilizes variable retention harvest followed by the nurturing of diverse early seral ecosystems and the growing of forests stands on rotations long enough for bio-complexity to appear—an approach that sustains important elements of biodiversity and creates desired ecosystem structures and processes while providing timber harvest and revenue. While this strategy would not provide per acre harvest levels equivalent to those attained under intensive management, such an approach would provide a permanent timber supply.

We are currently working with four BLM Districts to demonstrate this approach on the O&C lands (Figures 4 and 5).

These Moist Forest Ecological Forestry Projects have been misrepresented in some quarters: 1) they do not involve the harvest of old growth trees and 2) they do not utilize clearcutting. Rather they use variable retention harvest, which has different ecological effects than clearcutting (Lindenmayer et al. 2012, Gustafsson et al. 2012). We find it difficult to understand how such harvests can be described as clearcutting when 30% or more of the pre-harvest forest on the harvest units is retained for the next rotation!

Expanding the Moist Forest Land Base for Sustained Yield Management While Maintaining Environmental Values

To help in the discussion of land base for sustained yield management, we organized the BLM O&C forests by their major land allocations under the NWFP, their age class, and whether they lie within recently designated Critical Habitat for the Northern Spotted Owl (Johnson and Franklin (2013).

Given the goals of the Northwest Forest Plan and recovery plans for threatened and endangered species, the younger forest outside of NSO Critical Habitat (less than 80 years of age) is the likely current source of acres for sustained yield management (see Johnson and Franklin 2013 for more discussion). The acres are shown in the far left bar of Figure 6. Also, some of the more simplified stands in the 80-120 class might be available.

We suggest three potential changes that would increase the Moist Forest land base for sustained yield on the BLM O&C lands while still meeting the goals of the Northwest Forest Plan and recovery plan goals:

1) Apply one of the alternative stream buffering strategies of Reeves et al. (2013) to modify Riparian Reserves within the Matrix;

2) Re-evaluate the need for younger stands, outside of the Critical Habitat designation for the NSO, to remain in Late Successional Reserves;

3) Limit Survey and Manage Requirements to species known to be in decline or some difficulty;

Each of these changes is described below. It should be noted that these changes may come with special provisions to address remaining concerns about effects on species and ecosystems.

In addition, we recommend that the BLM accelerate its collaborative effort with the US Fish and Wildlife Service to understand the potential role of Moist Forest variable retention harvest in Critical Habitat for the Northern Spotted Owl and identify the potential level of activity over the next five to ten years.

Finally, we recommend considering these ideas for the Controverted Lands now managed by the USDA Forest Service along with the application of Ecological Forestry to those lands.

Reshape Riparian Buffers

Use scientifically credible methodologies to modify the Riparian Reserves of the Northwest Forest Plan, while still achieving the aquatic ecosystem goals of the Aquatic Conservation Strategy (ACS) (Reeves et al. 2013) and other ecological goals provided by those forests.

Interim buffers (aka Riparian Reserves) of two-site potential tree heights on fish-bearing streams and one-site potential tree height on non-fish bearing streams occupy at least 40% percent of Moist Forest Matrix under the (Northwest Forest Plan (NWFP). These interim buffers were identified as part of the NWFP in 1994, with the expectation that subsequently they would be revised as the NWFP was implemented. With rare exception, the interim buffers have not been revised (Thomas et al. 2007, Reeves et al. 2006, Reeves et al. 2013).

Recently developed science and analysis tools (Benda et al. 2007) have opened the way to possible refinement of those buffer sizes. Applying these tools and science to streams in BLM Matrix, Reeves et al. (2013) concluded that alternatives exist to

the current implementation of the ACS that reshape and reduce the buffer area needed to meet the goals of the ACS. One alternative has fixed widths and one has variable widths based on stream segment features. Both alternatives utilize "tree tipping" to ensure that thinning within buffers does not negatively affect wood delivery to the stream.[2] Also, both alternatives limit harvest to younger stands (stands generally less than 80 years of age).

Alternative A applies fixed-width buffers of one site-potential tree height for both fish-bearing and non-fish bearing streams.

- The buffer on fish-bearing streams and the inner half of non-fish-bearing streams would continue to be devoted solely to ecological goals as defined in the Aquatic Conservation Strategy.
- Ecological Forestry (with tree tipping) could be applied in younger stands in the outer half of the non-fish bearing streams to achieve ecological goals and sustained yield goals.

The second tree height on fish-bearing streams would no longer be included in the riparian buffer. Thus, that area would be available for the application of Ecological Forestry to younger stands. Use of Ecological Forestry would enable that portion of the forest to continue providing a variety of functions for the many terrestrial species that use areas near streams while also providing sustained timber harvest.

Under Alternative A, Riparian Reserve acreage in Matrix under current implementation of the ACS in the Northwest Forest Plan, would be allocated as follows: half would continue to be solely devoted to ecological goals and half would be devoted to both ecological and sustained yield goals, with harvest limited to younger stands.

Alternative B also applies fixed-width buffers of one site-potential tree height for both fish-bearing and non-fish bearing streams, but divides the area within the site-potential tree height between different goals for each stream segment based on its contribution to aquatic ecosystem values and then places each segment into one of two categories: 1) more ecologically sensitive and productive and 2) less ecologically sensitive and productive.

- The buffer on the more ecologically sensitive and productive stream segments would continue to be devoted solely to ecological goals as defined in the Aquatic Conservation Strategy, as would the buffer on the first 100' on less ecologically sensitive and productive fish-bearing stream segments and the first 50' of less ecologically sensitive and productive non-fish bearing stream segments.
- Ecological Forestry (with tree tipping) could be applied to younger stands in the outer portions of the less ecologically sensitive and productive stream segments to achieve ecological goals and sustained yield goals.

As with Alternative A, the second tree height on fish-bearing streams would no longer be included in the riparian buffer. Thus, that area would be available for the application of Ecological Forestry to younger stands. Use of Ecological Forestry there would enable that portion of the forest to continue providing a variety of functions for the many terrestrial species that use areas near streams while also providing sustained timber harvest.

Under Alternative B, Riparian Reserve acreage in Matrix under current implementation of the ACS in the Northwest Forest Plan would be allocated as follows: approximately two-fifths would continue to be solely devoted to ecological goals and approximately three-fifths would be devoted to both ecological and sustained yield goals, with harvest limited to younger stands. The exact distribution between the two categories varies by watershed.

The modeling in Alternative B takes a landscape approach that makes it possible to understand the location of the most ecologically important stream segments across multi-owner watersheds. The Reeves, et al. work (2013) showed that many of the most important segments are on private lands that have much less extensive stream buffer requirements than federal lands, especially on small non-fish streams. This capability should enable the targeting of aquatic conservation and recovery across ownerships—a truly "all lands" approach.

Implementation of this revised buffer strategy should also include an examination of road systems near streams and removal/decommissioning of problem roads. Without such an effort, it will be difficult to achieve the goals of the ACS.

Shift Portions of Late Successional Reserves to Sustained Yield Management

Shift younger stands in LSRs outside Critical Habitat to Matrix—i.e., aligning LSRs and NSO Critical Habitat. A major purpose of LSRs was to provide reserves

[2] See Reeves, et al. (2013) for detail on the analysis and alternatives beyond that covered here.

of sufficient size to maintain self-sustaining populations of NSOs. They were drawn using the best available information 20 years ago, but new knowledge and more advanced techniques have made an improved placement possible. While there were other justifications for LSRs, especially within the range of the Marbled Murrelet (near the Coast), conservation of the NSO was the major justification for the size and placement of the LSRs.

Thus, Critical Habitat is somewhat "out of sync" with the original landscape allocations of the Northwest Forest Plan; redesign of the LSRs to better align them with NSO Critical Habitat would increase the area available for sustained yield management using Ecological Forestry.

This reallocation should focus on shifting younger stands and stands in the LSRs. Provisions of the Revised Recovery Plan (Recovery Action 10 and Recovery Action 32) call for protection of historical owl activity areas and protection of older, more complex portions of forests in Matrix outside of Critical Habitat.

Substitute a Sensitive Species Policy for the Survey and Manage Policy

Focus species-specific management on species of concern. The Survey-and-Manage (S&M) element of the Northwest Forest Plan (NWFP) represented an unparalleled attempt to protect rare, little-known species associated with late-successional and old-growth forests on more than 25 million acres of federal lands (Molina et al. 2006). The FEMAT mission included "...maintenance or restoration of habitat conditions to support viable populations, well distributed across their current ranges, of species known (or reasonably suspected) to be associated with old-growth forest conditions." Therefore, the persistence of 1,120 individual species and species groups associated with late successional and old-growth (LSOG) forest were evaluated relative to achieving the viability objective in FEMAT and the subsequent environmental impact statement (Molina, et al. 2006).

The FEMAT analysis concluded that insufficient knowledge was available to determine whether the NWFP's system of reserves would be adequate for 427 species—some LSOG forest was still available for harvest in the Matrix. The S&M list included amphibians, bryophytes, fungi, lichens, mollusks, vascular plants, functional groups of arthropods, and one mammal—the Red Tree Vole (Molina et al. 2006). To remedy this deficiency S&M provisions were added for these species, which typically required surveys to determine whether they were present on sites proposed for activities, such as timber sales, and mitigation measures, such as protective buffers, when they were found.

We suggest substitution of a "Sensitive Species Policy" for "Survey and Manage" as a way to focus analysis on those LSOG species that are of concern. We suggest this approach for two reasons: 1) Continued harvest of LSOG forest in the Northwest Forest Plan caused the need for S&M. Yet, that harvest, by and large, did not happen and will not happen under the NSO Revised Recovery Plan and NSO Critical Habitat. Therefore the need for such an approach has greatly diminished. 2) The species-specific approach taken in the NWFP, in attempting to maintain or restore habitat conditions for viable populations for all species associated with LSOG forests, followed the "viability rule" in the regulations implementing the National Forest Management Act. That regulation has been revised to focus on species about which there is "conservation concern." We will discuss this second point below.

The viability objective quoted above and utilized in the NWFP originated from regulations associated with implementing the National Forest Management Act (USDA 1982) and was specifically limited to vertebrates in that regulation. However, in FEMAT, it was applied to invertebrates as well as vertebrates and to BLM lands as well as National Forest lands, an interpretation ruled by courts to be within the discretion of the Secretaries of Agriculture and Interior to adopt and implement (Seattle Audubon Soc'y v. Lyons 1994).

Species were put in the S&M category because there was insufficient knowledge about how the NWFP might influence their habitat and population dynamics. Thus, the burden of proof was on the land manager to show that these species would not be harmed by a proposed activity. Given an ecosystem management plan in place, like the Northwest Forest Plan complemented by the NSO Revised Recovery Plan and Critical Habitat, an alternative approach would be to require evidence that population levels and trends for the species indicated concerns and, if concerns were established, to apply special protocols. This approach would be similar to that taken in the recently revised regulation regarding implementation of the National Forest Management Act (USDA 2012) in which consideration of individual species is limited to those for which the responsible official has determined that a proposed eco-

system management plan would not be sufficient.[3] A comparable approach here would use the ecosystem plan in place (like the NWFP supplemented by Critical Habitat) to conserve species, except where evidence exists that additional measures are required.

In Moist Forests, this change could increase the availability of younger stands. Mature and old growth stands would not be affected since they are already committed to recovery of Threatened and Endangered Species, as discussed earlier, and other goals.

The recent analysis of the status of the Red Tree Vole by USFWS (USDI 2011) may offer an opportunity as described above. The Department of Interior decided that "After review of the best available scientific and commercial information, we have determined that listing the North Oregon Coast population of the Red Tree Vole as a DPS (distinct population segment) is warranted. However, the development of a proposed listing rule is precluded by higher priority actions. . . Upon publication of this 12-month petition finding, we will add this DPS of the Red Tree Vole to our candidate species list (USDI 2011, p. 63720)." This DPS covers the Oregon Coast Range north of the Siuslaw River. Thus, Survey and Manage considerations relative to the Red Tree Vole might be limited to the stands north of the Siuslaw River. Such a change could reduce the need for special Red Tree Vole buffers in a stand like the one in the Coos Bay Pilot (a "younger stand" as described above)—requirements that helped push retention amounts in a variable retention regeneration harvest to higher levels than would otherwise have been needed. In addition, this change could significantly reduce the cost of timber sales by eliminating expensive surveys of proposed projects.

ASSESS POTENTIAL HARVEST ACTIVITIES ON MOIST FOREST WITHIN NSO CRITICAL HABITAT

Both the NSO Revised Recovery Plan (USFWS 2011) and Critical Habitat rule (USFWS 2012) emphasize the potential application of Ecological Forestry within Critical Habitat (USFWS 2012 p. 30):

> "In sum, vegetation and fuels management in dry and mixed-dry forests may be appropriate both within and outside designated critical habitat where the goal of such treatment is to conserve natural ecological processes or restore them (including fire) where they have been modified or suppressed. . . Likewise, in some moist and mixed forests, management of northern spotted owl critical habitat should be compatible with broader ecological goals, such as the retention of high-quality older forest, the continued treatment of young or homogenous forest plantations to enhance structural diversity, heterogeneity and late-successional forest conditions, and the conservation or restoration of complex early-seral forest habitat, where appropriate. . . (italics added)
>
> In general, actions that promote ecological restoration and those that apply ecological forestry principles at appropriate scales as described above and in the Revised Recovery Plan for the Northern Spotted Owl (USFWS 2011, pp. III-11 to III-41) may be, in the right circumstances, consistent with the conservation of the northern spotted owl and the management of its critical habitat."

Currently, the form and extent of such active management is too problematic for forests within NSO Critical Habitat to be part of the Most Forest land base for sustained yield management. Discussion and demonstration will be necessary to clarify the type, amount, and landscape pattern of timber harvest that is acceptable in Critical Habitat. That activity has already begun in the Roseburg and Eugene Districts and elsewhere, where variable retention harvest projects have been developed, and are being developed, within Critical Habitat. Shifting from individual project

[3] "The responsible official shall determine whether or not the plan components required by paragraph (a) of this section provide the ecological conditions necessary to: contribute to the recovery of federally listed threatened and endangered species, conserve proposed and candidate species, and maintain a viable population of each species of conservation concern within the plan area. If the responsible official determines that the plan components required in paragraph (a) are insufficient to provide such ecological conditions, then additional, species-specific plan components, including standards or guidelines, must be included in the plan to provide such ecological conditions in the plan area USDA 2012, 219.9 (b)". Paragraph (a) states: "the plan must include plan components, including standards or guidelines, to maintain or restore the ecological integrity of terrestrial and aquatic ecosystems and watersheds in the plan area, including plan components to maintain or restore their structure, function, composition, and connectivity (USDA 2012 219.9(a).)"

development to landscape assessment of the magnitude and pattern of variable retention harvest over time will be a key to determining the contribution Critical Habitat to sustained yield. This will require a major collaborative effort by BLM and USFWS. Perhaps, a five or ten year commitment of project acreage for harvest activities could be the outcome of such an effort.

APPLY THESE IDEAS TO THE O&C CONTROVERTED LANDS MANAGED BY THE FOREST SERVICE

Some Oregon & California Railroad lands are administered by the Forest Service, referred to as the Controverted Lands (Figure 1). These Controverted Lands reside within the boundaries of the national forests and cover lands equal to approximately 20 percent of BLM O&C lands. Some are in Wilderness or other Congressional and Administrative withdrawals, but many could be considered for sustained yield management. We classify approximately two-thirds of these lands as Moist Forest and one-third as Dry Forest. The younger Moist Forests on Controverted Lands, especially in the Cascades, provide useful locations to demonstrate Ecological Forestry on the national forests and also to apply the ideas mentioned above for expanding the land base for sustained yield management.

ECOLOGICAL FORESTRY IN DRY FORESTS

Composition and structure of existing Dry Forests landscapes have been dramatically altered by decades of fire suppression, grazing by domestic livestock, timber harvesting, and plantation establishment (Noss et al. 2006) resulting in: (1) fewer old trees of fire-resistant species, (2) denser forests with multiple canopy layers, (3) more densely forested landscapes with continuous high fuel levels, and, consequently, (4) more stands and landscapes highly susceptible to stand-replacement wildfire and insect epidemics (e.g., Hessburg et al. 2005, Noss et al. 2006, Johnson and Franklin 2012).

In southwest Oregon, Dry Forest sites that have not been previously harvested are largely occupied by dense maturing Douglas-fir stands, which often appear to be the first generation of closed-conifer forests on these sites. Scattered old pines and hardwoods are being crowded out by these younger Douglas-fir trees. Historically, many of these Dry Forest landscapes were occupied by more diverse communities including open grasslands, shrub fields, oak savannas, and mixed hardwood and conifer woodlands (McKinley and Frank 1996).

Given these considerations, we suggest the following Ecological Forestry strategy for Dry Forests on the BLM O&C lands (Franklin and Johnson 2012):

- Retain and improve survivability of older conifers by reducing adjacent fuels and competing vegetation;
- Retain and protect other important structures such as large hardwoods, snags, and logs; some protective cover may be needed for cavity-bearing structures that are currently being used;
- Reduce overall stand densities by thinning so as to (1) reduce basal areas to desired levels, (2) increase mean stand diameter, (3) shift composition toward fire-and drought-tolerant species, and (4) provide candidates for replacement of old trees;
- Restore spatial heterogeneity by varying the treatment of the stand, such as by leaving untreated patches, creating openings, and providing for widely spaced single trees and tree clumps;
- Establish new tree cohorts of shade-intolerant species in openings;
- Treat activity fuels and begin restoring historic levels of ground fuels and understory vegetation using prescribed fire; and,
- Plan and implement activities at landscape levels, incorporating spatial heterogeneity (e.g., provision for denser forest patches, such as those needed by the NSO and its prey species) and restoration needs in non-forest ecosystems (e.g., meadows and riparian habitats).

The Dry Forests on BLM western Oregon Forests are immensely important to the people of southwest Oregon in many ways and numerous ecological and social tensions surround their conservation and use. Increasing stand densities threaten both neighboring homes and communities and the forests themselves (Johnson and Franklin 2012). Yet, harvests under restoration strategies often do not yield substantial revenue, making it difficult to pay for actions that address public concerns and increase forest sustainability. Also, some challenge the need for action. Thus, application of Ecological Forestry to the federal Dry Forests of southwest Oregon remains extremely challenging.

Retaining and nurturing older trees and other significant structural elements of the Dry Forest stand is the starting point in the application of Ecological Forestry to Dry Forests. That will require active management. Although many Dry Forests include older trees, almost all such forests are highly modified structurally and compositionally by past management, which has greatly reduced older tree populations and resulted in increased stand densities. Both remaining old trees and the forest in which they are embedded are currently at risk from intense wildfires, epidemics of defoliating insects, and competition, the latter resulting in accelerated mortality due to bark beetles. Selection of a threshold age for older trees is particularly important for Dry Forests, since it is applied to all Dry Forest stands. In our work we usually use 150 years as the threshold age for older trees because: (1) trees in Dry Forests generally begin exhibiting some old-growth characteristics by this age, and (2) significant Euro-American influences that disrupted historical disturbance regimes were underway by 1860, e.g., introduction of large domestic livestock herds and mining.

Retaining some denser forest areas in an untreated or lightly treated condition is an important landscape-level planning component of our Dry Forest restoration strategy. Most Dry Forest landscapes include species and processes that require denser forest as habitat, such as preferred nesting, roosting, and foraging habitat for the NSO and its prey species (USFWS 2011). Maintaining approximately one-third of a Dry Forest landscape in denser patches of multi-layered forest has been proposed for the NSO (Courtney et al. 2008) and the need for a mosaic of denser patches and treated areas is acknowledged in the NSO recovery plan (USFWS 2011). In general, landscape amounts and distributions will be a function of topographic and vegetative factors along with wildlife goals. Untreated patches in the hundreds of acres could be preferentially located in less fire-prone areas, such as steep north-facing slopes, riparian habitats, and sites protected by natural barriers, like lakes and lava flows. The longevity of the dense forest patches should be increased by reducing stand densities in the surrounding landscape matrix (Ager et al. 2007, Gains et al. 2010). Losses of denser forest patches are inevitable, but—since the surrounding restored matrix would still be populated with older, larger trees under this Ecological Forestry approach-suitable dense replacement habitat can be regrown. The Pilot Joe and Pilot Thompson projects in the Applegate Watershed illustrate these Dry Forest principles (Figures 7 and 8). Dense patches that will be retained in this project, called Late Successional Emphasis Areas (LSEAs). Commercial and non-commercial treatments were then planned around them to increase the sustainability of the treated areas and reduce the potential for the dense patches to be caught by a running crown fire from the valley below.

Some key points about our Dry Forest landscape strategy are:

1) LSEAs are not reserves. Rather they are part of a dynamic landscape; over time some of these dense forest patches are expected to be lost to wildfires and new ones will have to be created by allowing restored forest areas to grow into a denser forest state.

2) Management is not prohibited. While we did not suggest entry into LSEAs in Pilot Joe, limited activities can be considered to reduce fuels and to achieve other goals as long as a forest structure is retained that will meet the needs for the species of interest. Cooperative efforts by BLM and USFWS to determine needs and actions would be desirable.

3) This strategy is intended for the entire landscape—Matrix and LSRs and both inside NSO Critical Habitat and outside NSO Critical Habitat.

Given this strategy for Dry Forests, distinguishing stands by age, land allocation, and location relative to Critical Habitat for the NSO (Figure 9) is much less useful than in Moist Forests in determining where and how Ecological Forestry might be applied. As described above, this strategy is intended to be applied across land allocations, Critical Habitat determinations, and age classes.

In summary, we suggest a number of principles to guide application of Ecological Forestry in Dry Forests:

- Don't put "old" stands off limits to active management, including removal of trees—they will need action to save the old trees within them. These stands often require harvest of younger trees around old trees to reduce ladder fuels and competition and improve their longevity. Stand age thresholds to limit actions, such as those suggested previously for Moist Forests, are not appropriate in Dry Forests if the intent is to sustain these forests and the older trees that they contain.
- Don't allow Survey and Manage restrictions to prevent actions that will reduce stresses on old trees—consider a Sensitive Species policy as described above or

prevent treatments to reduce stand densities and increase heterogeneity outside of the denser patches. A strategy for Survey and Manage species in Dry Forests, similar to that which we discussed for Moist Forests above, might be considered—focus on individual species where a concern has been demonstrated.

- Don't create large reserves in which harvest is prohibited, since that will increase the probability that the forests within them will not survive. The LSR network of the NWFP originated as part of a Moist Forest conservation strategy that called for large, contiguous areas of reserves where late-successional forests would develop and where natural processes would be allowed to function. This approach was carried over to Dry Forests where it was not appropriate, which is why the NWFP actually allowed for active restoration treatments in LSRs in Dry Forest landscapes. It is important that the reserve strategy of the NWFP be allowed to evolve into a network of modest-sized dense forest patches across the Dry Forest landscape.
- Do develop a landscape plan across the Dry Forests, including stands within NSO Critical Habitat, which identifies the portions of the landscape that will be treated to provide greater resilience and the portions that will be left in a denser condition. As a starting point we recommend that approximately 1/3 of the forest might be left in this denser condition.

It is difficult to identify a static land base for sustained yield management in this dynamic system, as it will shift over time. We recommend that the unique properties of Dry Forests drive the management strategy for them utilizing the principles we describe above and that a landscape plan be developed that implements these principles. Even that landscape plan, it is possible to make an first estimate of both short-run harvest and long-term yields.

SUMMARY

To increase timber harvest on the O&C lands while maintaining environmental values, we recommend:

1) Application of Ecological Forestry across O&C lands to provide both ecological benefits and economic benefits;

2) Recognition of Moist Forests and Dry Forests with their own unique Ecological Forestry strategies;

3) On Moist Forests:

a) Continue a thinning program that emphasizes variable retention thinning in younger stands;

b) Reinitiate regeneration harvest in younger forests in Matrix using a variable retention approach followed by nurturing early successional ecosystems;

c) Reclassify younger forests in Riparian Reserves and Late Successsional Reserves to sustained yield management through a cooperative effort of BLM, USFWS and NOAA Fisheries;

d) Shift from a Survey and Manage Strategy to a Sensitive Species Strategy;

e) Undertake a major cooperative effort by BLM and USFWS to identify the pattern and magnitude of Ecological Forestry within Northern Spotted Owl Critical Habitat;

f) Also apply these recommendations to the O&C Controverted Lands in the Cascades managed by the Forest Service.

In total, these changes could double or triple the Moist Forest land base for sustained yield management.

4) On Dry Forests:

a) Apply a partial cutting strategy across all age classes in both Matrix and Late Successional Reserves, and inside and outside NSO Critical Habitat, to reduce threats and increase sustainability

b) Reclassify some forest in Riparian Reserves to the upland restoration strategy

c) Develop a landscape plan for the O&C Dry Forests identifying the portions of the landscape that will be treated and the portions that will be left in a denser condition through a collaborative effort by the BLM, FS, USFWS, and NOAA Fisheries.

We would expect that half to two-thirds of the O&C Dry Forests will need treatment through commercial and non-commercial activities.

Estimating Likely Sustained Yield Harvest Levels

The changes suggested here should enable a higher harvest level on the O&C lands both in the short-run and in the long-run. Estimating the likely harvest level from these changes with detailed accuracy, though, takes thought and analysis. It is important that land management agencies and regulatory agencies be involved in such an analysis.

The CHAIRMAN. Thank you very much, Dr. Johnson. Particularly those ideas for increasing the land base for forest management and doing it consistent with the environmental laws. That's what this committee wants to hear and we thank you for coming.

Mr. Maisch, welcome, from Alaska.

STATEMENT OF JOHN "CHRIS" MAISCH, STATE FORESTER AND DIVISION DIRECTOR, ALASKA DEPARTMENT OF NATURAL RESOURCES, DIVISION OF FORESTRY

Mr. MAISCH. Thank you. Good morning, Mr. Chair, Ranking Member Murkowski and members. My name is Chris Maisch, Alaska State Forester and Director of the Division of Forestry.

I'm here today to speak on behalf of our Governor Sean Parnell.

The purpose of today's hearing is to discuss how important forest management on Federal lands is and to examine different ideas and options including State management. But before I get into the specifics about the Alaska situation, I'd like to talk about the working forest concept.

The importance of community, economy and environment and the balance between these elements which is often described as a measure of sustainability or the triple bottom line.

Senator Baldwin, I'd like to say if you've ever had the chance to visit the Menominee tribe in Wisconsin you will know that that's one of the best examples in the country of long term forest management there is. But unfortunately in many locations across the Nation and in Southeast Alaska there exists an imbalance between these elements.

If you'd please refer to Figure 1 in your packet there's some larger figures in the very back.

Figure 1 is—well, as you all know Alaska is a big place. The top of the diagram represents all of Southeast Alaska, 17 million acres. The arrows departing to the left remove acreage for Congressional designated lands. The arrows departing to the right remove acreage for Administrative reasons.

The take home message is bottom center where you see two small slices, black and green, where about 600,000 acres of land, which is all that is left and is available for active forest management.

If you'd please refer to Figure 2. During a 16-year period this graph depicts trends for timber volumes sold on Federal and State lands in Southeast Alaska. Blue is State land. You can see it is steady with a slow increase.

Green is Federal land. Drastic decline.

In 1990 there were 4,600 jobs in the timber industry in Southeast Alaska. Today a few hundred at best.

To address this situation Governor Parnell via Administrative Order 258 formed the Alaska Timber Jobs Task Force in 2011. Members come from a broad slice of Alaska and represent State agencies, community groups, timber industry and a Federal ob-

server. Charged with State-wide duties and 8 specific tasks including recommendations on how to improve Federal land management on the Tongass.

The Task Force wanted to document the current situation in Southeast and decided that population and school enrollment trends would be good indicators of community health. Over the past decade regional population is down 5 percent. But even more startling since 1990 school enrollment is down 15 percent and 5 communities have lost their only school. A school is the lifeline of a community, literally its heart, its soul and its mind.

The State has worked from within the system to try and change management direction including seeking cooperating agency status in the 2008 forest plan process and the ensuing forest plan implementation.

We have also participated in a collaborative process known as the Tongass Futures Roundtable with a goal of producing a broadly supported alternative for an operable land base. After 5 years with little result the Governor withdrew and formed the task force. The task force made 34 specific recommendations across 8 subject areas.

A priority statewide recommendation was the creation of a consistent and stable timber supply. To achieve this goal in Southeast Alaska the State should pursue ownership of two million acres. It should work jointly with other organizations and groups to seek change to the management on Federal lands including the concept of trust or other land tenure changes such as State forests.

The State of Alaska has a strong and well regulated forest resources practices act that requires mandatory steam buffers and has focused on the protection of fish habitat and water quality.

State forests are actively managed and have a primary purpose, timber management, that allows other multiple uses including job creation from a range of resources on the forest, tourism, fishing, mining and yes, active forest management.

In contrast this is not the Federal focus. It is on restoration, primarily of the environmental portion of the working forest concept and not enough attention is being given to the community or economic portions of a sustainability model.

The Forest Service can't solve this problem unless Congress provides relief from burdensome regulations, confusing policy and litigation by third parties. All challenges to active forest management. I predict there will be no significant change in the scope, the scale or pace of management that we need on our Federal lands to help balance or re-balance the triple bottom line.

I urge Congress to continue this important discussion, provide new approaches and tools to address this national issue.

Mr. Chairman, there is a better alternative. You only need to look at how the states and tribes of this great country are actively managing their forest resources and the impressive accomplishments they have achieved.

With that, I conclude my testimony and thank you.

[The prepared statement of Mr. Maisch follows:]

PREPARED STATEMENT OF JOHN "CHRIS" MAISCH, STATE FORESTER AND DIVISION DIRECTOR, ALASKA DEPARTMENT OF NATURAL RESOURCES, DIVISION OF FORESTRY

Good morning, Mr. Chairman, Ranking Member Murkowski, and Members of the Committee. My name is Chris Maisch and I am the Alaska State Forester and Division Director for the Alaska Department of Natural Resources, Division of Forestry. On behalf of the Governor of Alaska, thank you for the opportunity to submit written and public testimony to the Senate Committee on Energy and Natural Resources regarding challenges and opportunities for improving forest management on Federal lands. We appreciate your attention to the important economic and environmental issue of national forest management. Modern forestry is the greenest of green industries and yet communities located in and near national forests are desperate for the restoration of green jobs that could result from proper stewardship of our nation's unmatched forest endowment.

I would like to begin my testimony by discussing a concept we believe is essential to considering a topic of this nature, before describing the current situation in Southeast Alaska, and potential scenarios for management, including State management.

The State of Alaska embraces the concept of a Working Forest, which is further described as the utilization of forest resources to create jobs and healthy communities through active forest management. A healthy environment should support a strong social structure, which will in turn support a robust economy. The State of Alaska and others use the phrase "Triple Bottom Line" to refer to this relationship, which is also described as sustainability.[1] When any one of these elements is emphasized disproportionately, the other elements suffer in measures of quantity and quality. Unfortunately, in Alaska and other parts of the Nation, an unbalanced relationship between the three "bottom lines" is causing major challenges for state and local governments and communities. Federal policy on National Forest System lands has shifted away from the Working Forest concept to disproportionately embrace a protection-oriented approach.

Alaska's forest endowment is massive. Alaska's two national forests, the Tongass and the Chugach, are the largest in the country. Together they are nearly equal in size to the 52 forests located in the Forest Service Eastern Regions' 8 and 9—over 22 million acres. Unfortunately, the economic "bottom line" of Alaska's federal forest endowment has been short-changed, to the detriment of Alaska's communities.

This is illustrated by federal management of the Tongass National Forest in Southeast Alaska. The Tongass is the largest national forest and encompasses about 17 million acres of land. Not all of this land is suitable for timber management, but through a series of legislative withdrawals and policy changes, the suitable timber base available for management has declined to only 672 thousand acres—or 4% of the Tongass acreage (Figure 1).*

Nearly six million acres are managed as wilderness in the Tongass. That is more wilderness acres than the Forest Service manages in Washington, South Dakota, West Virginia and Oregon combined (about 5.0 million acres).

Also at play are two unique conditions that pertain to the Tongass, the Alaska National Interests Land Conservation Act (ANILCA) of 1980 and the administratively promulgated 2001 Roadless Rule. In recognition of the huge amounts of land set aside for conservation in ANICLA a section was included that is know as the "no more clause". This section of the law simple states: no additional wilderness or conservation withdraws can be made in Alaska without the explicit approval of Congress.[2] The 2001 Roadless Rule was and administrative effort (emphasis added, administrative) and effectively created another 2.2 million acres of wilderness on the Tongass NF. The State of Alaska sued in the United States District Court for the District of Alaska in 2001 and won a settlement agreement with the FS that prohibited application of this Rule in the Tongass. A third party litigant recently won a reversal of this settlement and the State is once again asserting its legal rights and this case is pending decision in the Ninth Circuit. In addition, the State also has pending an action on the Roadless topic in the United States Court of Appeals for the District of Columbia. In the meantime, the removal of additional acres from the Timber Production Land Use Designations (LUDs) in the Forest Plan of 2008 makes it impossible to fully implement the selected alternative.

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[1] USDA, 2011. National Report on Sustainable Forests-2010, United States Department of Agriculture, Forest Service, FS-979.

* Figures 1–2 have been retained in committee files.

[2] Executive branch actions can withdraw up to 5,000 acres without Congressional approval, 16 USC 3213.

The limitations mentioned, in combination with an unwieldy U.S. Forest Service policy, have led to a precipitous decline in timber volume offered for sale (Figure 2). In contrast, the State has been able to increase volume offered over the same timeframe on only 50,000 acres of state forest land in Southeast. At the same time logging and wood products employment remains a mere shadow of its past, falling from 4,600 jobs in 1990 to approximately 307 logging jobs and 150 wood products manufacturing jobs in 2011.[3]

Conditions have continued to deteriorate since 2011 and the Southeast Alaska timber industry has nearly collapsed as a result of federal timber policy which does not emphasize active timber management. The few jobs left are attributable to forest management activities by landowners such as the Sealaska Corporation and the State of Alaska. Since 2007, what remains of the timber industry in Southeast Alaska has lived from timber sale to timber sale. Because of this policy, the harvest level on federal lands has decreased to a point where only one medium sized mill remains open. This facility is almost entirely dependent on federal timber and can only operate at one shift, even though with adequate timber supply, it could operate at least two shifts year round.

Alaska Timber Jobs Task Force

In 2011, Governor Parnell issued Administrative Order 258 which established the Alaska Timber Jobs Task Force to recommend ways to revive Alaska's timber industry. The task force was a combined federal, state, private industry, and community group appointed by the Governor. The Administrative Order charged the task force with considering and attempting to address a number of specific tasks, several of which were directly related to timber management on federal lands and the need to utilize these renewable resources to benefit local, regional and national public interests. The final report from the task force was completed in June 2012.[4] A copy of this report is attached to my testimony and I ask that it be made part of the Committee's hearing record.

The task force gathered information from numerous state and federal agencies to capture the social implications of developments in the Southeast timber industry. The task force found the decline in Southeast Alaska's timber industry impacted social measures, such as regional population and school enrollment. Statistics from the 2010 U.S. Census show that total population has declined by 5% over the past decade. Furthermore, 24 out of 34 Southeast communities (71%) have lost population ranging from -2 percent (Hydaburg) to -57 percent (Point Baker).[5] The Southeast region of Alaska, dominated by the Tongass forest, is the only region to lose population during the last two censuses.

Schools are the leading indicator of community health. The Task Force found that while "[n]early all (31 of 34) Southeast communities have had a public community school at one point in time . . . the majority of communities have experienced enrollment declines over two decades. In total, there has been a 15 percent decline in Southeast student enrollment since 1990. During the past 20 years, six communities (19%) have seen their school close (one school has since reopened in Kasaan). Of the 31 communities with schools, the majority (87%) have experienced a declining student enrollment sustained over nearly two decades; only (10%) have increasing school enrollments."[6]

The Southeast Island School District serves residents of the islands of Prince of Wales, Baranof and Kosciusko—all located in the heart of the Tongass National Forest. Those islands were the most intensively managed during the peak of timber harvest. In 1995, the district served 381 students in 12 schools. Today, nine schools serve 160 students.

Recent news from the USFS concerning Secure Rural Schools payments and sequestration could exacerbate an already troubling situation. The State and school districts have received an invoice for $826,331 as a result of the 5.1 percent cut in funding in our Title I-III allocations.[7] This unwelcome development underscores the need for a better approach to funding school districts dependent on this income.

Despite these grim realities, the region is fighting to survive and reinvent itself. The Timber Task Force identified timber supply as one of the "priority statewide issues that presented the greatest impediment to job creation and economic development for Alaska's timber industry." It also found that the challenges and opportuni-

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[3] Alaska Department of Labor

[4] Available at http://forestry.alaska.gov/pdfs/timber__jobs__task__force__report__final.pdf.

[5] Alaska Timber Jobs Task Force 2012, Report to Governor Sean Parnell, Prepared By Alaska Timber Jobs Task Force, Administrative Order 258: Final Report, Appendix 8 p3.

[6] Alaska Timber Jobs Task Force 2012. Appendix 8 p 3-5.

[7] USDA Forest Service Correspondence, March 19, 2013

ties vary by region, including Southcentral, Interior and Southeast Alaska. These former two regions are experiencing slow, but steady growth as wood biomass projects are developed to meet community needs for economic space heating and electrical generation. Projects at both small and large scales are made possible by state forest management policies that provide a sustainable, long-term supply of wood from state forests and other state land.

In contrast, the Task Force found that the principal barrier to job creation in southeast Alaska is insufficient timber volume from the Tongass National Forest. Since the 2008 Forest Plan amendment, the Tongass NF has offered only 33% of the volume the agency deems necessary to comply with Section 101 of the Tongass Timber Reform Act (TTRA), which requires he United States Department of Agriculture (USDA) to ". . .seek to provide a supply of timber from the Tongass National Forest which (1) meets the annual market demand for timber from the forest and (2) meets the annual market demand from such forest for each planning cycle."[8]

The state has worked from within the system to change management direction on the Tongass and was granted cooperating agency status in the 2008 Forest Plan amendment process and is a co-implementer of the current plan. The state invested fiscally in working with the FS to improve timber sale process and economics and has funded two full-time positions, one in the Department of Fish and Game, Habitat Division and the other in the Department of Natural Resources, Division of Forestry, to accomplish this objective. In addition to the dedicated employees, a state "Tongass Team" was created within state government that reached across department lines to coordinate timely input to ongoing projects. This effort has not been without its challenges, but both parties have worked well together within Region 10 in an attempt to meet the plans goals. Third party litigants, policy changes and capacity issues within the FS have prevented full and effective implementation of the plan. A five year review of the 2008 Forest Plan is currently underway.

The state also participated in a collaborative process known at the Tongass Futures Roundtable. This effort was convened with the goal of informing the 2008 planning process with a broadly supported alternative for an operable land base where active management could occur. The group was unable to meet this initial objective and continued to meet in an attempt to resolve ongoing management issues. The Roundtable operated by consensus and had 35 primary members from all walks of life, all interested in management of the Tongass. After five years of participation and little real change on the ground, the Governor withdrew the state from the process in 2011 and created the Alaska Jobs and Timber Task Force. A much reduced Roundtable continued to meet, but at their 2013 spring meeting, the remaining members decided to disband.

Uncertainties and exorbitant costs associated with the National Environmental Policy Act (NEPA) and invalidation of the Tongass Exemption to the 2001 Roadless Area Conservation Rule exacerbate the challenge of supplying sufficient timber volume from the Tongass NF to maintain an integrated timber industry capable of contributing meaningfully to the region's economy.

The state's ongoing efforts with the FS and our experience in the collaborative process had a profound effect on how the Task Force approached its work and crafted their final recommendations for Tongass National Forest land ownership and management. It was clear that reform of the current management system would be difficult at best, and time was not on the side of the region's communities. The following three recommendations were made by the Task Force[9]:

1. Pursue state ownership and/or management authority of two million acres of National Forest System lands in the Tongass NF to support an integrated timber industry in Southeast.
2. Work jointly with other states/entities seeking change in the management of federal lands. Possible changes include the concepts of "trust" or state management of federal lands, the transfer of federal lands into state ownership, adjustments to the Alaska Statehood Act by Congress and measures to force the federal agencies, primarily the USFS, to increase timber harvest.
3. Support finalization of Sealaska's outstanding land entitlements, Alaska Mental Health Trust's[10] administrative land exchange with the USFS, and set-

[8] To the extent consisted with providing for the multiple use and sustained yield of all renewable forest resources.

[9] Alaska Timber Jobs Task Force 2012, Report to Governor Sean Parnell, Prepared By Alaska Timber Jobs Task Force, Administrative Order 258: Final Report, p8.

[10] The Alaska Mental Health Trust Authority is charged with being a catalyst for change and improvement in the systems that serve Trust beneficiaries, who include people with mental illness, developmental disabilities, chronic alcoholism and other substance related disorders, Alz-

Continued

tlement of the land entitlements for the unrecognized Southeast Alaska Native Communities.

In April, I had the opportunity to address elements of recommendation #2 and #3 in the House Committee on Natural Resources, where several legislative proposals are attempting to accomplish similar objectives, and I'd like to offer the following observations concerning the benefits of state-managed forests in comparison to the current form of management.

The Alaska Forest Resources and Practices Act (FRPA) governs forest practices on state, municipal, and private land, including the Alaska Mental Health Trust and University of Alaska Trust lands. The Act, in place since 1989, has been updated several times as new science becomes available. Scientific findings are reviewed in a two-step process via Alaska's Board of Forestry. The Act includes effectiveness and implementation components to ensure the best management practices (BMPs) remain current.

Lands designated as State Forest are managed per state forest purposes, as defined in Alaska statute (AS 41.17.200). The statute states, "[t]he primary purpose in the establishment of state forests is timber management that provides for the production, utilization, and replenishment of timber resources while allowing other beneficial uses of public land and resources." The focus is on providing a consistent well managed supply of wood to private sector businesses that subsequently produce a range of products and services that will benefit local communities. The State has emphasized job creation over maximization of revenue in its management of state forests, but the two State Trusts follow the maximum fiscal return approach to ensure beneficiaries are well served.

In contrast, federal lands have numerous conditions and guidelines that prevent the USFS from generating significant revenue and job creation from forest management activities. The new 2012 National Planning Rule includes language that states: "the plan must provide for ecosystem services and multiple uses. . ." and contains additional language concerning integrated resource management planning that must address a long list of criteria, which in part include: aesthetic values, air quality, ecosystem services, habitat connectivity, scenery, view sheds, wilderness and other relevant resources and uses.[11] The National Forest Management Act (NFMA) also includes a section to "insure that timber will be harvested from the National Forest System lands only where the harvesting system to be used is not selected primarily because it will give the greatest dollar return or the greatest unit output of timber."[12]

These conditions and numerous others complicate the timber sale process for the USFS and often result in below cost sales that can't be offered or sales that are only marginally economic. Here, state management would offer clear advantages. The State public process is less cumbersome and allows prompt reaction to market changes. With the ability to offer long term timber sales up to 20 years or longer, the states encourages the investment of private capital in manufacturing facilities.

CONCLUSION

In closing, I would like to leave you with this thought: Alaska's federal and state forests have the potential to be a model of sustainability, including environmental, social, and economic objectives. The "working forest" concept embraces diverse and broad objectives related to utilizing natural resources, providing jobs, stimulating local economies and supporting communities. These broad objectives have the potential to unify diverse stakeholders and interest groups.

The Forest Service is not able to solve this problem unless Congress provides relief from over burdensome regulations, confusing policy and litigation by third parties. These are all challenges to active management, and I foresee no significant change to the scope, scale and pace of management that needs to take place to rebalance the triple bottom line.

Despite more than 50 years of timber harvest in the Tongass, a mere 2.5 percent of the old growth forest has been harvested. The Tongass alone is bigger than West Virginia, yet today, there are 181 sawmills and 30,000 people employed in that state's timber industry. By allowing the State of Alaska the opportunity to manage a portion of these federal lands, hundreds of jobs—the equivalent of an auto factory—would be created and sustained forever—the ultimate green industry.

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heimer's disease and related dementia, and traumatic brain injury that results in permanent brain injury.

[11] 36 CFR 219 Subpart A-National Forest System Land Management Planning (2012 National Planning Rule) §219.10 Multiple use (a) (1).

[12] U.S. Code 1604 (g)(3)(iv) (National Forest Management Act (NFMA)).

Thank you again for the opportunity to discuss federal forest management and scenarios for more active management. I urge Congress to continue this important conversation and provide new approaches and tools to address this national problem. Without action, communities near federal lands will continue to suffer, forest health issues from insects and disease will accelerate and the wildland fire challenges in the west will grow. Mr. Chairman, there is a better alternative and you only need to look at how the States and Tribes of this great country are actively managing their forest resources and the impressive accomplishments they have achieved. We stand ready to continue this discussion. This concludes my testimony and I would be happy to address any questions the Committee may have.

The CHAIRMAN. Very good. Thank you.

Mr. Imbergamo.

STATEMENT OF BILL IMBERGAMO, EXECUTIVE DIRECTOR, FEDERAL FOREST RESOURCE COALITION

Mr. IMBERGAMO. Thank you, Mr. Chairman. Appreciate the opportunity, Ranking Member Murkowski. I will say hello to my old boss, Ms. Stabenow. Appreciate the opportunity to get out. The chairs behind the dais are more comfortable, I will note that.

I do appreciate the opportunity to be here today on behalf of my 650-member companies in 28 States including every State on the panel. We have over 390,000 employees and over 19 billion in payroll. Our members have survived the worst downturn in the forest products industry since the Great Depression.

We look forward to continuing our long partnership with the Forest Service, but the challenges facing the agency make that future very much uncertain. I have a rather lengthy written statement, but I thought I would focus on one example and that example is right here in front of me. It exemplifies the challenges facing the Forest Service and the BLM in managing these Federal lands.

These obstacles are practical, budgetary and legal. They require legislation to clarify both the management direction for the land and the compliance process with other environmental laws, particularly NEPA. The depth of the crisis is illustrated by this 1,400 pages of documentation which is relating to the Colt Summit Forest Restoration Project on the Lolo National Forest in Montana. It is because of this type of exhaustive analysis that the agency spends over 350 million annually on compliance with NEPA.

This project proposed to thin some 2,000 acres on a forest that covers over two million acres. It was designed to reduce hazardous fuel loading and improve wildlife habitat while protecting homes and decommissioning 7 miles of permanent road for every one mile of temporary road created. It's part of the Southwest Crown of the Continent Collaborative Forest Landscape Restoration project. It was called for in the Community Wildfire Protection plan. It's being executed through a stewardship contract.

In other words it's done in response to all the Congressional direction to carry out reductions in fuel loads, reduce fire threats and collaborate with the communities. Yet the Forest Service, in order to do it, had to create this mound of paper including an air quality report, a botany report, an aquatics report, a fisheries report, a hydrology report and 11 others. So in spite of the collaboration, the Forest Service knew that they had to analyze the project to the Nth degree because they would likely face legal challenges from groups that neither participated in the collaborative process nor care that

Congress has directed the agency to address these other significant threats.

Unfortunately they were right. A small environment group filed suit bringing over a dozen allegations. It's clear that they are more concerned with procedural blunders in the preparation in the project than in the substance of it.

In other words, they knew they had a legal hook to block the project and they used it.

In the end the judge dismissed all but one of their claims. Yet he granted an injunction based on the speculative impacts of hypothetical future actions. As a result of this injunction 7 million board feet of timber could have been on the market right now and would likely be being harvested this summer. Instead the agency continues to spar with Judge Malloy over a 2,000-acre project.

In the meantime one of two nearby mills almost folded. There's only two mills that are within any reasonable sourcing distance of this. They almost folded this winter due to a lack of logs.

I know you know very well, Mr. Chairman, when you lose a mill, you lose the ability to defray any of your management costs. It's very difficult to get that back. The agency has seen that first hand this year.

Using the courts to compel endless analysis is what drives the $350 million the agency spends on NEPA every year. The Forest Service spends its time bullet proofing its decisions rather than preparing land management projects.

Unfortunately it's Congress that created this tangle of laws that have become the playthings of lawyers and judges. Judges have allowed disputes between resource managers to override other clearer mandates such as the mandate for multiple use and the National Forest Management Act and the myriad of laws the Congress has passed in the last decade directing the agency to reduce hazardous fuels.

There are a few steps the agency can take to reduce their unit costs and treat more acres and increase harvest off the National Forest. I'd be happy to talk about those and some are mentioned in my testimony. These steps, however, will provide marginal help at best.

What is needed is legislation to clarify that Congress expects the Forest Service to manage some portion of the National Forest for timber production. We already identified these lands and forest plans, but this designation does not translate into harvest levels. Instead after exhaustive planning we get further analysis and judicial fly specting of even modest forest management projects.

The expiration of Secure Rural Schools provides an opportunity to reconnect land management with the welfare of our rural communities. We believe a trust approach on a portion of the national forest will provide some clarity that will allow the agency to address the problems the Congress has identified.

About 23 percent of the national forest are identified in current national forest plans as being suited for timber production. If Congress would clarify the mandate on those lands it will free up resources to conduct non-commercial work in the wild land urban interface that everyone recognizes needs to be done. In providing clarity on the resource management objectives on this timber base

also opens the possibility of moving forward with land conservation on other acres. But we cannot support land set aside that move independently from basic land management reform.

The Forest Service's current situation is analogous to a mouse that's been dropped into a maze with a piece of cheese at the exit. Unfortunately the cheese has now been removed. The exit has been sealed. The maze has been set on fire.

[Laughter.]

Mr. IMBERGAMO. We can expect a high level of activity from the mouse, but we certainly can't expect a good outcome. Only Congress can fix the maze.

We look forward to working with this committee and the Chief to fix that.

[The prepared statement of Mr. Imbergamo follows:]

PREPARED STATEMENT OF BILL IMBERGAMO, EXECUTIVE DIRECTOR, FEDERAL FOREST RESOURCE COALITION

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

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

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

INTRODUCTION

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

As we wrote you last month, many of the same economic conditions and forest health problems which plague the O&C lands exist throughout the National Forest System. As the Administration noted in February of last year, there are up to 82 million acres of the National Forest System which are experiencing severe forest health problems. Bark beetles in the Central and Northern Rockies are impacting some 48 million acres. As overstocked stands experience drought conditions, the Forest Service is increasingly falling behind on management as they annually shift resources away from needed harvest to fire suppression. Less fire prone National Forests suffer as resources are redirected to fight fires and restore damaged lands.

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

As you evaluate the legal framework for managing the O&C lands, we urge you to consider and pass legislation which addresses the management challenges plagu-

ing the National Forest System as well. Rural communities have suffered decades of reduced economic prospects, watersheds have deteriorated, and county governments have been strained to the breaking point. We stand ready to work with you to address these challenges.

FOREST HEALTH HAS DETERIORATED SIGNIFICANTLY

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

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

The extent of the problem is not in doubt. The Government Accountability Office recognized the urgency of the need to reduce hazardous fuels in 1999[1]. The Forest Service acknowledges that over 73 million acres of their lands are a high priority for management and that "one time treatment of all high fire risk areas would not fully address the fuels problem, as landscapes continue to change over time and fuels would build up on many lands currently in historic condition, without periodic maintenance treatments.[2]" The Western Governors Association has adopted numerous resolutions acknowledging the extent and severity of the forest health crisis[3].

UNHEALTHY FORESTS DEMAND ACTION

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

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

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

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

IN MONTANA

The Lolo National Forest has worked for years to develop local consensus on thinning projects that would help protect watersheds, communities, and habitat. One of these projects proposed conducting thinning on 2,300 acres. The Colt Summit Project had broad-based support from local industry, local and national environ-

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

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

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

mental groups, and sportsman's organizations. This Collaborative Forest Landscape Restoration Act (CFLRA) project was being implemented through a Stewardship Contract, on a 3 million acre National Forest within a few hours drive of several large wilderness areas. A local extremist group, the Alliance for the Wild Rockies, filed a lawsuit alleging multiple violations of environmental and procedural laws, 14 counts in all. While 13 of them were dismissed, the Judge issued an injunction based on the 14th count.

While the agency is working diligently to revise the project to meet the court's concerns, the volume offered by this project is still not on the market, and there are only 2 mills left within a reasonable sourcing distance of this forest. One of them very nearly failed this winter for lack of logs.

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

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

IN NEW MEXICO

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

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

IN MINNESOTA

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

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

IN WASHINGTON

The Tapash Collaborative Forest Restoration Project on the Okanogan-Wenatchee National Forest in Washington State was chosen in the first round of CFLRP projects in 2010. The project covers 1.6 million acres. Over the projected 10 year life of the project, the agency plans to harvest only 3% of the project area. The Tapash

project called for zero acres of timber harvest in FY 2010; 5,614 acres in FY 2011; and 3,150 for FY 2013.

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

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

SEIZING THE OPPORTUNITY TO MANAGE OUR FEDERAL FORESTS

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

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

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

The signs of recovery are showing up across the country. New sawmills have been announced in Georgia, Louisiana, and Arizona. Mills teetering on the brink of bankruptcy have been saved, including the mill in Montrose, Colorado. A mill, shuttered for more than a decade in Wyoming, has reopened. As you can see by the following chart, this is an auspicious time to take advantage of the nation's wood using infrastructure and make serious headway in reducing these historic fuel loads.

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

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

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

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

RESTORATION IN ACTION

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

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

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

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

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

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

THE ROLE OF HARVEST IN FOREST RESTORATION

After nearly three decades of drastically reduced harvest, the National Forest System is facing an ecological and managerial crisis. Overstocked stands, drought, climate change, insects, and fire threaten to reconfigure the landscape and damage watersheds throughout the west. The large fires that result from this overstocking threaten management on the rest of the National Forest System. Resources—money and people—are redirected away from forest management throughout the System; last year, over $400 million was redirected from forest management programs for this purpose. Non-fire prone forest, such as the Superior in Minnesota, the Ottawa in Michigan, and the Francis Marion in South Carolina, still lose the ability to manage when key staff are diverted to firefighting rather than managing.

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

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

ments on whether they reduce stand susceptibility to insect attack, fire, and windthrow[4].

One of the most productive National Forests in the country, the Ouachita National Forest in Arkansas, is actively restoring significant wildlife habitat through the use of commercial timber sales, Stewardship contracts, and active support from conservation groups such as the National Wild Turkey Federation (an FFRC affiliate member) and the Nature Conservancy. While producing commercially valuable shortleaf pine timber, this forest is also creating habitat for the Red Cockaded woodpecker, prairie warbler, yellow breasted chat, and common yellowthroat. The Forest noted that red cockaded woodpeckers had increased by almost 300% due to the improved habitat. Researcher Larry Hedrick noted that "The ability to sell valuable wood products is at the very heart of restoration efforts . . . . All commercial thinning or regeneration cutting is accomplished through the use of timber sales that are advertised and sold to the highest bidder. Further. . .portions of the proceeds from these timber sales are retained to pay for most of the follow-up midstory reduction and prescribed burning needed to restore the stands."[5]

Recent research in Minnesota suggests that aging forests may be contributing to a decline in forage for moose populations, which have declined dramatically in recent years. Dr. David C. Wilson and Dr. Alan R. Ek found last month that significant decreases in forest disturbance—including reduced harvest on the Superior National Forest—explained 80% of the year to year variation in moose population in the State. Unfortunately, moose have declined from more than 8,000 in 2005 to just 2,760 today.[6]

In the case of northern goshawks, present forest conditions in the southwestern United States may be adversely affecting goshawk populations. Management of goshawk habitat focuses on creating and sustaining a patchy forest of highly interspersed structural stages ranging from regeneration to old forest throughout a goshawk territory. Managing the forest, through timber harvest and other treatments, to thin the understory, create small openings, and provide different tree sizes across the landscape will help produce and maintain desired forest conditions for goshawks and their prey[7].

The Committee recently heard from Diane Vosick, who noted that research indicates that hazardous fuels treatments are effective at reducing large fire costs, protecting property, and preserving watersheds. She also noted that there is a substantial opportunity cost to delaying thinning projects, meaning that delays don't just wind up deferring costs, they increase them[8].

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

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

RESTORING THE CONNECTION BETWEEN COMMUNITIES AND FOREST MANAGEMENT

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

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

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

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

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

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

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

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

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

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

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

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

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

PRINCIPLES OF REFORM

- Payments to forest counties should be linked to fundamental reforms which streamline the process of proposing, analyzing, executing, and resolving conflicts over forest management projects on Federal forest lands.
- With due recognition of the need for a transition period, payments to counties must be linked to revenues produced by viable economic activity on Federal forests, including substantial, sustainable increases in timber outputs.
- All revenues generated on Federal forests, including a portion of revenues from Stewardship contracts, should be used to develop additional sustainable forest management projects as well as to provide revenue sharing to counties.
- A trust approach, focusing on the 23% of National Forest acres already identified as suited for timber production, can provide stable funding on a trust-trustee basis, while restoring and strengthening the overall multiple use framework on Federal forests.

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

hunting and fishing.[9]" Several large State Trust lands forestry programs have been certified under one or more forest management certification program[10].

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

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

STEPS SHORT OF COMPREHENSIVE REFORM

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

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

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

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

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

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

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

[10] See, for instance, WA DNR: http://www.dnr.wa.gov/Publications/frc__fsc-sfi__certification__factsheet.pdf, PA DCNR: http://www.dcnr.state.pa.us/forestry/stateforestmanagement/Certification/index.htm.

ALASKA

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

LOCKING IN CONSERVATION AND SUSTAINABLE TIMBER PRODUCTION

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

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

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

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

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

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

The CHAIRMAN. A good challenge. Fix the maze.

I know you represent lots of people who do business with the Forest Service. We're going to want your input. Thank you, Mr. Imbergamo. We'll have some questions in a moment.

We've got Mr. Miles, please.

STATEMENT OF AARON MILES, MEMBER, CLEARWATER BASIN COLLABORATIVE

Mr. MILES. Sorry about that. Thank you.

Mr. Chairman and members of the committee, my name is Aaron Miles and I work as the Manager for the Department of Natural Resources for the Nez Perce Tribe. I am also a member of the Clearwater Basin Collaborative.

I'd like to thank Senator Mike Crapo, Senator Jim Risch, for their support of our communities in the Clearwater Basin, located in North Central Idaho, as well as the invitation to participate in this hearing of the Senate's Committee on Energy and Natural Resources. Particular, Senator Crapo chartered the CBC in 2008 to address Federal land management issues in the Basin.

The CBC was formed out of frustration with the gridlock and status quo. The inability of the Forest Service to effectively manage

forest landscapes in today's litigious climate. Our vision is to enhance and protect ecological and economic health of our forests.

As a member of the CBC I would like to list some of our commitments to one another in our agreement and work plan which is an honor based agreement work plan to resolve long standing issues in the Clearwater Basin.

So the first one is active timber management which I'll touch on a little bit more.

Rural economies honoring tribal, sacred and special places.

Wilderness and other management designations.

Outfitters and guides and wildlife management.

I list all 6 of these focus areas because the CBC is committed to the interest of a diverse array of people and needs and our walk on all these interests together is a big part of success which includes timber harvest on the Nez Perce Clearwater National Forest. As part of my representation for the Nez Perce tribe, the tribe shares in all these diverse interests which in particular, Pilot Knob is a special place, a sacred place to the Nez Perce.

In addition to all the work that we've done for road obliteration, culvert replacement to enhance tribal fisheries. That's a huge part of our efforts.

Then last we have joined forces with Iowa Fish and Game, U.S. Forest Service on elk and ungulate species to enhance these species and tie elk body condition to forest habitat conditions on the forest.

So, overall the health and welfare of the Nez Perce people is interdependent upon the forests. It still provides our spiritual sanctuary and sustenance for my people.

In terms of for the purposes of this hearing I will focus on some of the challenges and obstacles associated with the increased timber management.

The Forest Service has become an agency focused on the costs, resources and time invested in NEPA. Planning and often based on an anticipated challenges, appeals and litigation rather than the desired future outcomes. In the years since NEPA was passed into law there have been numerous lawsuits resulting in a mountain of case law that has transformed the way the agency approaches and conducts NEPA analysis.

Current Forest Service regulations are filled with controversy, complexity and excessive scientific analysis requirements and legal barriers that delay or block needed management of much of the public land area. These regulations and analysis requirements are applied across landscapes whether needed for the resource or not and result in redundant and often unnecessary actions.

To complicate matters the multitude of regulations is sometimes at crossed purposes with what is needed on the ground or in conflict with other regulations. Rather than sound professional practices applied on very different landscapes with distinctly different needs, the agency is often hamstrung to produce in their insurmountable focus on regulatory compliance. I believe there needs to be a hard look at the intent of the original law, NEPA, and how the analysis have been shaped by case law.

Second, there is a discussion about making NEPA more efficient. From my perspective the agency is trying a couple of things.

First as evidenced in the Clear Creek project on the Nez Perce Clearwater forest, are trying to propose and analyze more activities in a project that covers a larger area.

Over my career I have seen the pendulum swing back and forth between large scale and small scale approaches. Large scale projects are en vogue until one or two were successfully litigated causing a forest to lose a major portion of its overall timber program. It took the forest years to rebuild its program. The forest then opted for small scale projects so the loss of one didn't have just a major adverse impact to the forest's overall vegetation program.

It is now working its way back to larger, more complex projects. It is critical that these projects succeed. The stakes are high.

So as a Nez Perce Indian my people have witnessed the conversions of these landscapes from grassland savanna to closed forest canopies and list our desirable conditions. The Nez Perce sustenance way of life was built around those types of ecosystems for our food source, to support diversity of wildlife and populations. As a member of the CBC I've personally witnessed the shift in dialog and change in attitude toward the Forest Service to a more working relationship.

I wholeheartedly believe that our collaborative has created a different atmosphere in the Basin. We have made progress over time. We will need to continue working together with the Forest Service in order to meet the needs of the people and the resources that we all depend upon.

Thank you.

[The prepared statement of Mr. Miles follows:]

PREPARED STATEMENT OF AARON MILES, MEMBER, CLEARWATER BASIN COLLABORATIVE

Mr. Chairman and members of the committee, my name is Aaron Miles and I work as the manager for the Department of Natural Resources for the Nez Perce Tribe at Lapwai, ID. I am also a member of the Clearwater Basin Collaborative. I thank you for the opportunity to speak to you today.

I would like to thank Senator Mike Crapo and Senator Jim Risch for their support of our communities in the Clearwater Basin located in North Central Idaho as well as the invitation to participate in this hearing of the Senate's Committee on Energy and Natural Resources. In particular Senator Crapo chartered the Clearwater Basin Collaborative (CBC) in 2008 to address federal land management issues in the basin where the majority of acreage is National Forest System lands. The CBC was formed out of frustration with the gridlock and status quo or inability of the Forest Service to effectively manage forest landscapes in today's litigious climate. Our vision is to enhance and protect the ecological and economic health of our forests, rivers and communities within the Clearwater Basin by working collaboratively across a diversity of interests.

I would like to share my thoughts about some of the challenges we have seen in our efforts to promote:

1. Active timber management to support ecological restoration
2. Rural economies
3. Honoring Tribal Sacred and Special places
4. Wilderness, Wild & Scenic Rivers and Special Management Designations
5. Outfitters and Guides
6. Wildlife Management

I list all 6 of these focus areas because the Clearwater Basin Collaborative is committed to the interests of a diverse array of people and needs and our work on all of these interests together is a big part of our success which includes increased timber harvest on the NezPerce/Clearwater National Forest.

The Nez Perce Tribe shares concerns in a number of these diverse interests. The Tribe still experiences high unemployment and many of our members work during the seasonal months for the Tribe's Department of Natural Resources and Department of Fisheries Resource Management. At one time the Tribe employed nearly 300 employees in forest products jobs when active management was the major part of our operations and took place on 50,000 acres of land with nearly 15 to 20 MMBF(million board feet).

The tribe has also worked towards the restoration of Pilot Knob, a well-known sacred vision quest site on the Nez Perce/Clearwater National Forest. Pilot Knob has a number of radio telecommunications towers because of the locale and elevation needed for communications. The Tribe believes we are nearly at a time where technology will allow for changes that will support communication needs and the return of mountain to its original use and sanctity for the Tribe. The CBC is committed to resolving these issues.

The Tribe is working towards restoration of many of the anadromous fish bearing streams on the Forest. Much of the work includes road obliteration and culvert replacement to reduce stream sedimentation and is in conjunction with the Tribe's anadromous fisheries outplanting efforts to restore fisheries in major tributaries on the Forest. Special designations such as Wild & Scenic and Wilderness protect some of the pristine places for these efforts and is a positive net gain in the amount of protection of these important resources.

The Tribe has joined forces with the Idaho Department of Fish and Game, and the US Forest Service in the CBC's Wildlife Initiative. This effort ties elk body condition to forest habitat conditions on the Forest. Through the effort it is our hope to address wildlife concerns in the basin for elk and ungulate species as well as other wildlife. The Clearwater Basin once boasted one of the nation's largest elk herd and changes in forest conditions has negatively affected population viability. The Tribe's culture is also interwoven with these species.

Overall the health and welfare of the Nez Perce People is interdependent upon the Forest. It still provides the spiritual sanctuary and sustenance to my people. It will always be a place called home for the Nez Perce just as it has since time immemorial.

For purposes of this hearing today, I will focus on some of the challenges and obstacles associated to increased timber management.

TOOLS AND OBSTACLES—CHALLEGES AND OPPORTUNITIES TO GETTING MORE WORK DONE IN THE WOODS

The FS has become an agency focused on the costs, resources and time invested in NEPA and Planning and often based on anticipated challenges (appeals and litigation), rather than on the desired future outcomes. In the years since the National Environmental Policy Act was passed into law, there have been numerous lawsuits resulting in a mountain of case law that has transformed the way the agency approaches and conducts NEPA analyses.

Current FS regulations are filled with controversy, complexity and excessive scientific analysis requirements and legal barriers that delay or block needed management of much of the public land area. These regulations and analysis requirements are applied across landscapes whether needed for the resource or not and result in redundant and often unnecessary actions. To complicate matters, the multitude of regulations is sometimes at cross purposes with what is needed on the ground or in conflict with other regulations. Rather than sound professional practices applied on very different landscapes with distinctly different needs, the Agency is often hamstrung to produce in their insurmountable focus on regulatory compliance.

I believe there needs to be a hard look at the intent of the original law (NEPA) and how the analyses have been shaped by case law. Secondly, there is discussion about making NEPA more efficient. From my perspective the agency is trying a couple of things. First, as evidenced in the Clear Creek project, the Nez Perce-Clearwater Forests are trying to propose and analyze more activities in a project that covers a larger area. Over my career, I have seen the pendulum swing back and forth between the large-scale and small-scale approaches. Large scale projects were in vogue until one or two were successfully litigated, causing a Forest to lose a major portion of its overall timber program. It took the Forest years to rebuild its program. The Forest then opted for small scale projects so the loss of one didn't have just a major adverse impact to the Forest's overall vegetation program. It is now working its way back to larger, more complex projects. It is critical that these projects succeed—the stakes are high.

The second approach the Nez Perce-Clearwater Forest has tried is upfront collaboration designed to build understanding and support with stakeholders prior to start-

ing NEPA analyses. The Clearwater Basin Collaborative believes this is the desired approach to project development and appreciates the Forests' efforts. The various perspectives brought in up front helps the Forests to design a better project. In the end, if there are challenges, collaborators are able to work behind the scenes to facilitate resolution. If there is no resolution, collaborators can stand with the Forests to defend proposals. The agency benefits when it has that kind of support in appeal negotiations or in a courtroom.

A serious in-depth review of NEPA and its application over time along with a review of the regulations guiding the Forest Service could help Congress make informed decisions about whether or it is time to consider NEPA and regulatory reform. The value of true collaboration and its positive effects on the ground is happening all over the country and certainly in the Clearwater Basin of Idaho.

In terms of agency spending and overhead, it always makes sense to look for efficiencies and eliminate unnecessary and/or redundant functions. Recently, the NezPerce and Clearwater National Forest were consolidated. This move has reduced the cost of two stand-alone administrations, is saving money and is resulting in management consistency across the landscape. We suggest similar options could be explored at other locations.

Each level of the Forest Service serves a specific and useful function and our belief is that elimination of any of the levels would negatively impact good public service. The CBC has worked in partnership with the District, Supervisors, Regional and Washington Office level on issues and believes much of our success is due to those working relationships.

It would be unfair to leave the issue of spending without saying something about the ever declining budgets of the Forest Service. While appropriated dollars decrease with time, more resources are needed to fight escalating fire activity. The buildup of fuels, increased urban interface challenges, escalating fire complexity and costs all contribute to the Agencies inability to actively manage their lands. If a third or more of the budget is being used for firefighting—it is no wonder the Forest Service is not providing the level of public service they once did. The many dedicated professionals I have known over the years are capable of good work but the number of employees funded and the active management programs continue to be sacrificed for firefighting efforts.

APPROACHES ON HOW TO TACKLE FORESTRY CHALLENGES

The Nez Perce-Clearwater National Forests and Clearwater Basin Collaborative have been working together for five years. Progress has definitely been made in terms of trends and today the Forests are more successful achieving targets and reducing unit costs than before collaboration with the CBC was a reality. This change is multi-faceted and time consuming because it is founded on mutual trust, open dialogue, diverse interests, and willingness to consider new and different approaches. We commend the Forest Service for their willingness to work with the CBC and are proud that CBC members are committed to science based and sound resource management and the interests of the public as well as their own.

In addition to providing valuable support for NEPA analyses, collaborators can serve as advocates for the Agency and for specific projects with other members of the public. Collaborative groups can help the Forests secure funding and recruit partners and leverage matching funds for special initiatives. The collaborative groups represent the diverse array of interests and provide input to the Agency to consider in their land management activities. The structure of Collaborative groups is critical in ensuring results that are scientifically sound and should have diverse representation and members who will work together to ensure projects achieve scientifically sound outcomes.

ADDITIONAL CONSIDERATIONS

We think it might be timely to take a look at the agency's mission. The Forest Service has been tasked with being all things to all people. This is perhaps the most difficult mission in the federal government to fulfill. The agency is doing its best to redeem its mission, but it is increasingly difficult in this time of declining budgets and a society that is so divided and often lacks the skill/will to have a civil debate about land management issues. Fewer people are willing to have the difficult discussions that lead to win-win outcomes and decreasing personal contacts when project issues develop is counterproductive.

As a Nez Perce Indian, my people have witnessed the conversion of these landscapes from grassland-savanna to closed forest canopies and less desirable conditions. The Nez Perce sustenance way of life was built around those types of ecosystems for our own food source and to support diversity of wildlife populations. As

a member of the CBC, I have personally witnessed the shift in dialogue and change in attitude towards the Forest Service to more of a working partnership. I wholeheartedly believe that our collaboration has created a different atmosphere in the basin. We have made progress over time and we will need to continue working together to meet the needs of people and the resources we all depend on.

Thank you for your time.

The CHAIRMAN. Thank you very much, Mr. Miles.

We've got 6 Senators here. So I think what we'll do is we'll have 5 minute rounds. Then get the possibility of a second round.

Chief, I am trying to make sense out of the timber sale numbers specifically because at first glance the timber sale funding doesn't mirror the timber sale output. I want you to walk me through how this works.

We looked at your testimony. You state that the agency increased its funding for the timber sale program over the last 17 years from a low of 180 million in 1995 to 335 million in 2012. Yet, when you look at the data on actual harvests and the number of mills over the same period of time you see a significant decline, the decline of more than a third.

Now, in your testimony you state and it seems to me, appropriately so, that efficiencies are part of this. But at the same time you look at those facts and it seems that we're getting less efficiency rather than more. So, can you walk me through how those numbers, which to me suggests that timber sale funding doesn't mirror output?

Give me your reaction to that kind of analysis just looking at the numbers?

Mr. TIDWELL. Senator, we need to also factor in that inflation over that period of time that has reduced the spending power of dollars. So that's one of the changes.

You know, the other part of it is we track how much it costs to produce a thousand board feet from the start of when we initiate a project to when we actually sell that project and that also includes the contract administration.

So over the years we've tracked those costs. Those costs have gone down by about 23 percent since 1998, so that's why we talk about we have gained some efficiencies. Even though our budgets have gone up a little bit, but just the cost of inflation, the cost of doing the work has also gone up during that same time.

I'm pleased with the efficiencies that we've gained. But it's just a start of where we need to be. When I talk about these landscape level analyses and Aaron made a very good point that we've tried this in the past. Then we get challenged and we have to take a step back.

But today there is the support for this type of analysis that we haven't had in the past. So I think that's another area we'll be able to continue to increase our efficiencies.

The other thing that we're working on is with our sale prep efficiencies. We've been stuck doing it the way we've always done it in the past. We're finding that there are different ways to create some efficiencies more than just how we do sale preparation to be able to reduce the amount of time that we're spending there and the amount of personnel. These are the things we want to continue to work on to be able to increase those efficiencies.

But there's no question that what's happened with the agency, and I use 1998 because that's when I saw the change in the fire seasons from my personal view. Our fire seasons have increased and we've had to shift more and more of our funding, from the national forest systems into suppression and preparedness. It's had an impact on these programs.

Our budgets have been basically stable for the last decade plus. But we've had to shift a significant amount of money. So that has impacted our capacity to be able to do more work.

I'll tell you I'm proud of our employees regarding what they've been able to do and working through our collaboratives, with our partners, we've been able to get more work done with, I think, probably with less capacity. But we've got to find a way to be able to increase those efficiencies. Then we also need to find a way to be able to stop the impact of the fire seasons on the rest of our programs.

The CHAIRMAN. We're going to have more discussion about the fire season. I just want it understood that if the agency comes in and says we're getting more money and people see the harvest going down and the number of mills going down, people are going to say that sure doesn't seem to connect.

So we've got more work to do, particularly on getting the harvest up. I think we can do it.

Let me just ask a question with respect to collaboration because Mr. Imbergamo, you and the Chief seem to have striking differences on this point.

We have seen collaboratives work. In Eastern Oregon, for example, we have a historic agreement, an agreement that's really a national model between the timber industry and the environmental community. Harvest up, litigation down. I mean down significantly, largely because of the trust.

Mr. Imbergamo, what do you think the Chief ought to be doing on the collaboration issue, specifically? We're going to get into the question of streamlining NEPA here in a bit. But specifically, what do you think he needs to do on collaboration to make that Eastern Oregon model the standard.

Because I think the Chief makes a good point that the projects he's taking on actually exceed their performance targets for this year.

What should he do more of on collaboration? We'll make this the—because I'm 13 seconds over already.

Mr. IMBERGAMO. Collaboration is fine. I have members who are involved, founding members of collaboratives including the Clearwater collaborative. One of my members in Idaho is a founding member of that and my Oregon companies are involved in the various collaboratives around the State.

It's not so much a matter of whether they should do more or less collaboration. I guess for me, the question ultimately is if the collaborative project then must continue to run the gauntlet of endless NEPA analysis and the presumption that any basic forest management project should get judicial review. We're not going to see a reduction in the unit costs.

Even if they don't get litigated they spend the same amount of money doing the NEPA to try to make sure that if they wind up

in court, they can defend it. Again, it's a diversion of resources into bulletproofing the project rather than undoing what the same types of projects on more acres.

That's the big problem. Then the diversion of resources to fire fighting which is really put the agency in a bind.

The CHAIRMAN. Let me go on to my colleague.

Senator Murkowski.

Senator MURKOWSKI. Thank you, Mr. Chairman.

Mr. Maisch, I'm going to ask you in a minute here to kind of describe what we have gone through in Alaska with our collaborative effort with the Tongass Futures Roundtable. The fact that it lasted 5 years is actually pretty good evidence that we really did give it a very good try.

But as you noted in your testimony, the Governor pulled out and moved to the task force. But it is an example where, you have pointed out, Mr. Imbergamo, you can have all the collaborative process but if at the end of the day it still takes forever, the uncertainty, the litigation, the regulation. If you're no further ahead, collaborative processes are good. But we still haven't gotten to the point where we're seeing more timber actually being harvested.

Chief, you have heard the comments from many on the panel here the clear frustration about policies that really have taken us to the point that we are now. We're, certainly in Alaska, when you look at the rate of decline of the harvest so much of it comes because of policies that have been put in place, the regulations that have been put in place. The uncertainty that we see. The litigation that follows.

There have been several legislative proposals that would set treatment levels or timber supply mandates that basically put you, as an agency, in a place where you have to provide that certainty. We do it through legislation. As Mr. Maisch has indicated in Alaska the recommendation is let us, as a State, manage our own forests. Let us have a State forest here.

What is the agency's position on legislative, legislated supply mandates? Is this how we're going to get to a better place if we can't do it at the Federal level do we have to legislate here? Do states, like Alaska, that are looking to different ideas? Is this the direction that we have to go?

Mr. TIDWELL. Senator, outputs are based on our planning process, the input we receive from our communities about how these lands should be managed. I think no one's been more clear about the need to do more work on our national forests than I have.

So when we look at the proposals to legislate certain outputs, unless we go back and really address everything that builds up to the current program of work, it puts the agency in a very difficult spot to actually be able to carry out that direction. So when those are proposed it's very problematic because we still have our forest plan. We still have what the public wants us to be, the outputs, the overall outputs from these lands.

So it puts us just in a very difficult situation to be able to move forward on just one piece of multiple use. You know, I think the set of laws that we have today, they're a good set of laws. They reflect how the public wants their national forest managed.

Now there's no question that sometimes how the laws are interpreted are a little bit different. If there's one thing that I think that might be beneficial is to find ways to maybe, clarify, our current laws.

For instance, you know, we find ourselves having to analyze numerous alternatives with a lot of our analyses. There's no requirement for that. NEPA doesn't require that you do 6 or 7 or 8 alternatives.

Senator MURKOWSKI. Why don't you do that then?

Mr. TIDWELL. It's been pointed out that because of certain court rulings that we find that if we go ahead and just put in one alternative, then we often are faced in court. So it's just, part of it's easier to go ahead and do it so that we will not have to, you know, deal with litigation.

So but at the same time through some of our collaboratives we get down to really having an agreement on one action alternative, with the No Action, which we're required to do.

So we are able to move forward with those. But that, to me, is a better way to be able to find ways to clarify what our current laws are. Congress could send a message to clarify that this is what NEPA says. It need not say anything more than that.

I think those are the things that would also be helpful.

Senator MURKOWSKI. Let me ask you, Mr. Maisch, in my remaining time. The task force has, again, come up with this recommendation as to State forest.

Is this kind of a last ditch effort for the State to bring some certainty into the process so that we can have a sustainable level of harvest? Can you just speak to the proposal that came from the task force?

Mr. MAISCH. Yes, Senator Murkowski.

I would say, yes. I don't know if it's a last ditch effort, but it's certainly a well reasoned, thought out effort. A lot of due diligence has been applied to the situation we have.

Senator MURKOWSKI. Right. I don't mean to suggest it was hurried. But we've tried everything else.

Mr. MAISCH. Yes. I think we have definitely made an example of trying everything else. We've been and continue to work with the Forest Service in Region 10 as a cooperating agency.

We've tried the collaborative process. We just did not get results. As you noted, 5 years in collaboration and no action on the ground.

So we feel that the diversification of ownership in Southeast Alaska is needed. It's, as you noted, primarily owned by the Federal Government and where there's a diversified land base there is more certainty and a more stable timber supply.

Senator MURKOWSKI. Thank you.

The CHAIRMAN. Senator Heinrich.

Senator HEINRICH. Chief, I want to start with a couple of questions for you. I want to go back to what you were just talking about in terms of the laws, what works, what doesn't work and the goals here.

Rather than mandating a timber harvest level wouldn't it make sense to sort of define what the healthy forest condition is that you want on a particular national forest depending on the balance between, you know, moist and dry forests, the specific condition of

that forest. Then using your harvest levels to try to move the forests toward the condition that you actually want for a healthy forest.

Mr. TIDWELL. Senator, yes.

That's our current approach through our planning process to be able to identify what type of treatments need to occur to be able to improve the overall forest health, the resiliency, and provide that full mix of benefits and then to develop the projects to actually implement that.

Our challenge has just been that there's work that needs to be done. We have to find more ways to be more efficient to be able to basically overcome the loss of capacity to be able to get more of this work done.

In your part of the country, losing the infrastructure, the mills, the loggers, that's really set us back. We're trying to do some things too, especially through stewardship contracting, where we can provide some certainty over a 10-year period of time that a certain amount of harvest is going to occur so that folks can justify investing in new equipment and new infrastructure. Those are the things that we want to continue to work on.

Where we're seeing those in places where we have these strong collaboratives, we're making good progress.

Senator HEINRICH. OK.

Let me follow up on that because you mentioned stewardship contracting. You've mentioned timber harvest and small woody biomass removal. Another important tool, obviously, in the Southwest is prescribed fire.

Each of these tools has costs. They have benefits. Sometimes the right choice for one forest is absolutely wrong for another.

In Southwestern Ponderosa Pine forests, which are definitely not moist forests, we've seen these restoration projects focus largely on removing the small diameter trees, low hanging branches, leaving the fire resilient trees which are the large trees, that have a market for them.

How does the Forest Service decide what the best tool for managing that forest is? How do you make the restoration that needs to happen, happen when most of it, in our forests, are focused on these small diameter trees that really don't have a market.

Mr. TIDWELL. There is a challenge that we need to find some better economic markets for this smaller diameter material.

But what drives the project proposal is really the science that we have that indicates what we need to do on that landscape. In many places in your country, your part of the country there, we do need to thin out our Ponderosa Pine stands.

Senator HEINRICH. Good.

Mr. TIDWELL. They definitely have too many stems per acre without any question. But at other times there's also a need to remove some of the larger diameter material to be able to deal with the overall forest health.

We need to be able to apply the science we have today that will help us to understand what needs to be done on these landscapes.

We need to be able to go in there, instead of doing multiple entries every few years, and take a step back to see what needs to be done every 20 or 30 years versus multiple entries. That means

that we have to usually take out a little more material—it's more trees.

But in the long term it makes that forest much more resilient.

Senator HEINRICH. Mr. Farquhar, I want to bring up one of the things that, I think, is working within the Forest Service side of the House is the collaborative forest landscape restoration program. We've seen that be very successful in New Mexico, as you know, in the Zuni Mountains.

The Zuni Mountains project is expected to treat about 56,000 acres, create 93 jobs and save 37 million in future wildfire suppression costs, all for a little over $7 million in Federal investment.

Is that a model that you've looked at on the DOI side as well? If not, what are some of the collaborative model examples that you're excited about and that you've seen work within the BLM side of the House?

Mr. FARQUHAR. Thank you, Senator.

It's a great model. One of the strengths of the Bureau of Land Management's overall system is that it really grows from the field offices up. There's a lot of communication with people in the communities, with the industry, also with people who are concerned about fire, obviously.

We've seen good examples in Socorro Field Office, I think, there's a project there that we're working on with local communities. We've got examples in other states as well. Colorado, where we're doing some good neighbor work. So we aren't actually able to work under the exact same statutory authority that the Forest Service has.

But we do see the value of that kind of project. Particularly now when we're seeing a reduction in funding across the board we're going to rely more and more on the communities. We're also able at times to go to the Forest Service and apply for grants to help with some of these local projects.

Unfortunately we don't have a huge, in the Bureau of Land Management, a huge forestry budget. So a lot of times we blend that kind of work with another funded program to try to achieve the same results. We're looking in the hazardous fuels program right now at addressing the highest priority threats some of which are in the wild land urban interfaces that we all are concerned about and seeing more and more damage occurring. But we're also looking at places where habitat might be a concern as well.

So in sum, it's a very good model that we look at from the Forest Service.

Thank you.

The CHAIRMAN. I thank my colleague.

Senator Risch.

Senator RISCH. Thank you, Mr. Chairman.

Tom, first of all let me say that I, after sitting through all these hearings and again today, a common thread that runs through this is people aren't very happy with the Forest Service. This isn't your fault. This is Congress's fault.

As you point out, you didn't write the NEPA law. More importantly, you really didn't—weren't involved in the cases where the courts have tightened the NEPA law down even more that hamstrings your agency.

Having said that, your suggestion and it was very modest, you said so very modestly, but it's important and that is Congress should have a look at this again.

You know, you've heard me over and over again talk about how Idaho, on their school lands. We've got 2.4 million acres and we took 330 million board feet off last year. You've got 20 million acres. You took off 79 million board feet.

Now admittedly there are some reasons for that. But that gap is stunning, really.

What I might suggest you do is your modest suggestion really didn't have any meat on the bones. The Forest Service really should step up. Say, OK look, if you want us to do what Americans want as far as managing their forests, this is what you ought to do, Congress, with NEPA.

Now let me give you a suggestion. Those of us that have had formal training in forest management focus on something different than the politicians do and others do. That is the fact that every single acre is different.

When I was Governor, as you know, I wrote a roadless rule which is the only roadless rule, State roadless rule in effect in America. When I looked at this and it was put on my desk and the States were invited to do this, it was obvious to me just what I said. That is every acre is different.

For 40 years I've been trying to write a roadless rule that applied the same to every acre in America. So what I did is I divvied it up into a half a dozen different themes, if you would, with the help of the Nez Perce Tribe and with the help of lots of other people. We wrote a roadless rule that I then had to go out and sell the environmentalists. I had to sell to industry.

More importantly I had to sell to the Administration. First the Bush Administration and then the Obama Administration, both of whom were equally enthusiastic about supporting us. You, yourself, I sincerely appreciate that help.

But we ought to probably take a look at NEPA, No. 1. As you know that is not going to be an easy task. It's a heavy lift.

But if we do it collaboratively and we do it with an idea that everyone is going to have some input into this. Maybe we can make some progress in this. We ought to do it the way trained forest managers do it. That is not try to write a law that applies to every acre.

I mean, you guys administer some incredibly sensitive and incredibly beautiful and incredibly unique acres that should be left alone. On the other hand, you've got lots and lots of acres that are general forest that should be managed the way you and I learned about multiple use. That was a good concept then and it's a good concept now. It's not for every acre. But it's for a lot of acres.

So I'd invite you to put some of your best minds to work on this and say, Congress, look, you want us to do this. You want us to quit spending all this money on NEPA. How about if we take NEPA and apply it differently to different categories of land? I think that maybe we could make some progress in that regard.

So I hope you'll give that some thought. Again, I understand the tremendous challenges that you have. But you know, you've been to enough of these hearings that people are not happy with the

Forest Service either with the fire management or the production management.

Mr. TIDWELL. Senator, I want to acknowledge all your support and leadership to help deal with our roadless issue in Idaho.

I want to clarify that when I look at NEPA I think it's a good law. I see how it's been interpreted and sometimes applied beyond really what I believe was the original intent.

CEQ has been working very closely with us to help us to actually focus our analysis because they too agree, that we're doing much more analysis than we need to. They've been very supportive like on this Black Hills project. One of the reasons we were able to do that analysis on a quarter of a million acres was because the CEQ was there to help us really focus the NEPA.

So the law itself I think is a good law. It requires us to do a lot. We would be doing a lot of that analysis anyway to be able to have the information we'd need to be able to go out and do the right thing on the land.

I do think that there is some opportunity to clarify the intent of these laws that we have on the books, that would be helpful.

Senator RISCH. Thank you. Tom, I appreciate that.

Aaron, just in closing let me say thank you to you and to the Nez Perce Tribe for your work on the CBC, for the work on the roadless rule. The government would be, the Federal Government would be well served to look at what the Nez Perce Tribe is doing, in particularly in the Department that you head.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Senator Risch.

As always, Senator Risch, you make important points. You make important points that reflect that not only do you have a degree in forestry, you've been out there trying to bring people together. I think, particularly, this point that Senator Risch has made today, that not all acres are created equal, is a very compelling point.

Dr. Johnson, you essentially made that point when you talked about the moist harvests in the O and C areas.

Senator Risch, what Dr. Johnson was essentially talking about was how some of his ideas like reducing some of the red tape and bureaucracy in survey and management and stream buffers and the like would triple the land base for management. So you said we really need to take a look at NEPA as it relates to forestry in this committee. As far as I'm concerned, that look begins this morning.

I'm going to spend the rest of my time specifically on questions about NEPA. I just want to thank you, Senator Risch, because you have, as always, brought your best game to this debate. I've highlighted just with your questions what our job is.

Senator RISCH. Thank you, Mr. Chairman.

First of all, this stuff is not news to anybody who is sitting at the panel. I mean people who've had formal training and that know that trying to manage public lands from marbled halls in Washington, DC, is not the way to do this.

The goals of NEPA are probably supported by 99 percent of the American people. As with all things that Congress does, we have these lofty goals. We try to put it into legislative language. Then

when the thing gets on the ground it turns into a real wreck. That's what's happened with NEPA.

The goals of NEPA are good. It was a like an experiment really in the world. No culture in the world has ever done what we did when we enacted NEPA. We had the goal of preserving and protecting our natural resources and at the same time being able to use them.

The difficulty is we tried to lay one rule over every acre in America that is subject to the rule. It's not working in practicality.

So it's time to take a look at this thing. This is not going to be an easy lift. It will be a difficult lift. I don't know if Congress is up to the task. Indeed historically when we question that. But nonetheless I think it's worth the effort.

I think if you actually could do something like that you'd get rid of this tremendous amount of money that's spent, the tremendous amount of wasted effort that court cases take up in dealing with this. Instead we could all pull the wagon together and use this money to make public lands better.

The CHAIRMAN. Well said.

Let's start in with exactly the kind of task that Senator Risch has defined is looking at NEPA. Let me just frame this very specifically. Our objective is to get the harvest up without compromising these bedrock environmental values that we care about in Oregon. I think people care about all over the country.

Let me start with the time and expense associated with this.

The Forest Service noted, in response to a House hearing question, that on average 70 percent of the costs of preparing and administering a timber sale goes for environmental review. Of course in discussion with respect to how you might look at NEPA, streamlining in that context I've described.

Harvest up. Not compromising environmental values. You always hear discussion about whether this should be done on the landscape scale, programmatic planning. These are the words that just get hurled about.

Here's how I wanted to start this topic which Senator Risch has correctly raised. The agency has put a fair amount of effort into pilot projects in this area. I think, Chief, it would be very helpful if you could explain in something resembling English because this is pretty dense stuff.

You can get off into NEPA language and it sort of sounds like prolonged root canal work. How is the agency able to save time and money, at least on the basis of these streamlining projects? How what you've learned in the pilots could be applicable generally? Because I think what we're talking about here there's very little difference.

You aren't going to see Democrats and Republicans beating each other's brains out over the idea of getting the harvest up while keeping environmental values.

So if you would tell us what you think are the lessons out of the pilot projects that we can begin to use as we go forward with what Senator Risch has correctly described as a big lift. I mean, anybody who's talking about NEPA, this is not an exercise for the faint-hearted. This is a big, big lift.

So if you can tell us what you've actually found in your pilots that's worked for purposes of our going forward. Let's start with that.

Mr. TIDWELL. Simply put, we have to do the same level analysis, and documentation if we're looking at 5,000 acres or a quarter of a million acres. So instead of doing hundreds of projects at 5,000 acres a shot versus doing one at 250,000 acres. That's one of the lessons that we've learned.

The other thing is when we look at these larger——

The CHAIRMAN. That is, again, so I can start talking to colleagues and people in language that people can convey, these big landscape projects. They're a better investment. Is that what you're saying?

Mr. TIDWELL. It's one environmental analysis for these large areas versus having hundreds of smaller analyses. It takes a little more time, but it's so much more efficient.

The CHAIRMAN. But that would put points on the board. Let's just be very clear because all this is so hard to follow. That would put points on the board for the cause of streamlining NEPA in a way that would be good for getting harvests up without sacrificing the environmental values.

Mr. TIDWELL. Yes.

The CHAIRMAN. Is that right?

Mr. TIDWELL. Yes.

The CHAIRMAN. OK.

Mr. TIDWELL. The second approach we're using is what we call adaptive management, it looking at things which are going to occur over the next few years. So it gives our managers flexibility.

For instance, when you get an insect and disease outbreak you don't have to go back and do additional analysis because it was covered under the first analysis. You can quickly go in there without any additional analysis, which is what we've been working on.

Adaptive analysis looks at these large landscapes. That frees us from having to go back and do additional analysis when there's a change in condition out there because as much as we like to think that we know everything that's going to happen, say over the next 10 years, we'll get a wind storm that comes through or get an outbreak of bark beetle.

This allows us to go ahead and do the work that needs to be done without additional analysis.

The CHAIRMAN. Without going back, in effect, you would do it once.

Mr. TIDWELL. Yes.

The CHAIRMAN. So we have big landscapes, do it once, and this concept, this adaptive analysis, in effect, factors in weather conditions and the like.

Those are two things on the basis of your pilots that you think would help streamline NEPA, and again, strike the balance that I've been describing.

Anything else?

Mr. TIDWELL. Just by looking at larger landscapes it gives us more flexibility to actually do enough treatment where it makes a changed condition. When we talk about restoring forest health, reducing hazardous fuel risk to communities, we have to do it on a

large enough scale where it really makes a difference. So it's actually easier for us to be able to justify that this is the work that needs to be done when we look at these large landscapes versus these smaller projects that we used to focus on.

The CHAIRMAN. My time is up. But other witnesses, you know, buckle up, because we're going to ask you all the same question.

Senator Murkowski.

Senator MURKOWSKI. To just kind of follow on the Chairman here. We've been quizzing you, Chief, on the agency's approach.

But Mr. Farquhar, from the BLM's perspective and ideas that could be put in play to achieve what we've been talking about here. Anything that you would add?

If you would also comment on Dr. Johnson's proposal here for this ecological forestry and how we deal with wet forests, dry forests?

Mr. FARQUHAR. Thank you, Senator.

I agree with a lot of what the Chief just said. The Bureau of Land Management is also embarking on some landscape scale projects to try to look at larger areas so that the environmental—it's the same as what we're doing actually for renewable energy projects and a lot of other things on the public lands where we're trying to say let's do a large look. Then we've eased the way for the eventual, actual, project or proposal from a developer or for a timber sale or whatever it might be. Then what we're able to do is streamline the eventual sale process.

Now just to take what the Chief was saying a little further. Chairman Wyden has proposed some principles for forest management, potentially in Western Oregon. Having public agreement on principles when you start that process, I think, is very important.

We have just issued a purpose in need statement for the Western Oregon lands that are really the most intensive we manage for timber across the country. So I think there's the most analogous. I'll focus on that with the Forest Service.

Once we get those principles out there and get the purpose in need out there, get the public to respond to those. Then we're much more able to say, let's grab techniques like what Dr. Johnson and Dr. Franklin have been bringing forward. How those techniques fit in a larger fabric for that landscape.

There's no question that what Dr. Johnson and Dr. Franklin are doing in Western Oregon is introducing new concepts for how to go about removing larger volumes of timber in an ecologically safe way. In fact a way that enhances the ecology in many respects in the biodiversity actually.

So you have to start from a larger perspective, a landscape perspective and work down. It takes more time. But you don't end up with as many protests and appeals that are able to stop the presses later on because you've got the logic and the public support built in at the beginning.

We're seeing that in a lot of different areas that we work in not just in timber.

Senator MURKOWSKI. When I think, this goes to your point, Mr. Chairman, and that Senator Risch raised which is, you know, every acre of forest is not the same.

When you and I went to West Virginia and flew over pretty much all private lands in West Virginia looking at that and understanding how that State has actually done pretty well with their timber. But I recognize that it has a certain amount of flexibility or freedom, if you will, under State management as to the Federal issues.

The fact that unfortunately, too often, we have this one size fits all mentality here. Not only when it comes to forest management but in so many other policies that come out of Washington, DC. It's just one size fits all.

What you have in the Tongass, a very moist forest, is far different than what you would have in my colleague's forest down in Arizona. So recognizing that we have to deal differently if we're going to get good results, good management on our forests is key.

Chief, I wanted to ask you one last question. This relates to the Big Thorn sale based on Prince of Wales. It's my understanding that the record of decision for the EIS was going to be here any day. It was imminent. We would be able to get started by the end of the summer.

In your written testimony you're now saying that the record of decision for Big Thorn is expected in late 2013. What is happening here? Why are we seeing this slippage in the time?

Really for those that have been counting on Big Thorn. We all know that we've been counting on Big Thorn to come along. What am I going to tell them?

Mr. TIDWELL. We expect to have the record of decision out by the first of July.

Senator MURKOWSKI. OK.

Mr. TIDWELL. Then be able to award the contract in September at the latest. The Forest Service has had to do some additional cruise data, additional cruising to be able to have the right information that they need.

But I'll tell you they're working very hard to be able to get that forward. It is a key project for all of us, which we're committed to get done.

Senator MURKOWSKI. OK, so July 1 we should see the record of decision.

Mr. TIDWELL. Yes.

Senator MURKOWSKI. September we're going.

Mr. TIDWELL. Yes.

Senator MURKOWSKI. OK.

Thank you, Mr. Chairman.

The CHAIRMAN. Senators are coming in and out. Just in order of appearance. Our next two questioners will be Senator Flake and then Senator Barrasso, if that's alright with my colleagues.

Senator FLAKE. Thank you. Thank you and wish I could have heard more of the testimony, had to go kind of back and forth. But mostly to Chief Tidwell and if we can go with this, stewardship contracting, we've got to reauthorize by September 30. Tried to do that as part of the Farm bill, the fate of the Farm bill, obviously, is uncertain.

But as we consider reauthorizing the stewardship program how can we improve it to enable the Forest Service to enter into more

contracts than we've been able to do already to treat even larger swaths of land?

For example, I offered an amendment to the Farm bill that would have required parity among the fire and liability provisions in the stewardship contracts and timber contracts as well as a means of incentivizing stewardship work on the land. Likewise, GAO issued a report in 2008 that recommended revising the cancelation of ceiling provisions that are applicable on the stewardship contracts.

How are those kind of preventing the Forest Service from moving ahead and treating larger swaths of land?

Mr. TIDWELL. Senator, first of all I want to thank you and all the members of the Senate for the support of the Farm bill. I believe it is one of the best forestry titles we've ever had. I would hope that there's a way that it can move forward. Once again, without the Farm bill we need to find some way to get stewardship contracting reauthorized. I'd appreciate your support on that.

The language that was in the Senate Farm bill does address some of the problems that would help us be a little more efficient with stewardship contracting and eliminate one of the questions that we've had in the past. That language will be very helpful if we can get that to move forward. You know, the liability we need to look at between the stewardship contract and a timber sale are very similar. So that liability needs to be consistent between the two.

So there is an additional burden put on a contractor that's willing to take on a stewardship contract versus a timber sale contract. That's not what this is about. It's to be able to just get more work done.

We've been able to work with a lot of our purchasers and contractors to a point now that there's more comfort and the improvement that was offered in the Senate version of the Farm bill, would be very helpful.

Senator FLAKE. Thank you.

There's some question that about the Forest Service commitment to move ahead with timber sales and not just stewardship contracts. Is the Forest Service committed to both?

Mr. TIDWELL. Yes, without any question. We will always use the timber sale contract when that's the right tool, a stewardship contract when that is the right tool. We have to remember that the integrated timber sale contract is within the stewardship contracting, actually, it's a combination of both, which just gives us some additional flexibilities.

Senator FLAKE. Appreciate that and appreciated working with your office on a number of issues that we have, a number of them, in Arizona and others who have worked on this. We've just got to ensure that we can treat even larger swaths of forest here.

Because we've had two, once in a lifetime, fires in just 10 or 12 years. So appreciate your work on this. So we want to work with you in the future. If there are issues and there are tools that you need as we go through this reauthorization process, please let us know and let us help you as you have in the past.

Thank you.

The CHAIRMAN. Senator Barrasso.

Senator BARRASSO. Thank you, Mr. Chairman. Just to follow up with what Senator Flake has said to Chief Tidwell, you know, as a doctor I think about doctor/patient relationship is about patients.

If the forest were a patient, you know, the time you put on life support, find a new doctor, the forests are weak or unhealthy. They're suffering from neglect, infected with diseases, beetles, burdened with excessive fuel load weight, running a very high wildfire fever. The time has really come, I think, to actively treat the patient before it's too late.

So, you know, following up on Senator Flake's comments. Does active forest management in timer sales have a role in restoring forest health?

Mr. TIDWELL. Yes. More so I think in the future than we have recognized in the past.

Senator BARRASSO. Thank you. Thank you, Chief.

Mr. Imbergamo, if I could?

In your testimony you describe declining health conditions on federally managed forests. I'm going to ask NEPA, the Endangered Species act, are they contributing to poor forest health by blocking needed management activities?

Mr. IMBERGAMO. I think there are not only blocking it, they're driving up the cost. That's what is the problem is the agency clearly we're in a declining budget environment and we're not going to get unending amounts of money to make the investments we need to. So we need to lower the costs.

Senator BARRASSO. As you know and members on both sides of this committee agree that timber harvest needs to be increased. Is there an opportunity for the Forest Service to substantially increase timber outputs on acres treated without entering sensitive areas? Do those opportunities exist?

Mr. IMBERGAMO. In many cases, yes. Alaska is a somewhat different situation. In most places they can enter a lot of the landscape that is already roaded and do a significant amount of work.

The roadless rule does have some exceptions in it. Those are important in places like Idaho and Wyoming. So if we need to look at those and really actually utilize those exceptions for forest health.

Senator BARRASSO. Thank you.

Mr. Maisch, from the standpoint being a State forester, if I could ask you about your perspective there. Do you see a positive correlation between active management and forest health?

Mr. MAISCH. Yes, definitely. Those two go hand in hand, in my opinion.

Senator BARRASSO. In your testimony you said that the over burdensome regulations and litigation are challenges to add to the active management that you noted, and as you said go hand in hand. Is the NEPA and the Endangered Species act attributing to some of the deteriorating forest health by blocking needed management activities?

Mr. MAISCH. Yes, in my opinion, yes. Those two laws do definitely cause a lot of challenges even with the process works perfectly there's a record decision to implement. It only takes a third party to file a litigation action and then the process stops. That's a real serious issue.

Senator BARRASSO. Mr. Miles, I see you're nodding your head up and down.

In your testimony you also said that burdensome regulations and litigations are challenging to active management. My question is the same to you. Could you talk about NEPA and the Endangered Species act contributing to deteriorating forest health by blocking needed management activities?

Mr. MILES. I guess the frustration is that, you know, once the Forest Service, they follow all the laws, they do the regulations, following guidelines for pack fish in fish. All the things that are necessary to set the stage in order to get a project done. Then as Mr. Maisch had alluded to then a third party comes in to delay that process. That is frustrating because everybody holding hands on the project thought that it would be something that would be a slam dunk at that point when you're following the letter of the law.

Senator BARRASSO. Thank you.

Thank you, Mr. Chairman.

The CHAIRMAN. I thank you, Senator Barrasso.

I think before you came, we and Senator Risch, asked some very good questions. Senator Murkowski and others started talking about how we are going to make a major effort on this NEPA issue to show that it's going to be possible to get the harvest up and keep these bedrock environmental values. That's going to require some thoughtful effort to streamline NEPA.

We're looking forward to working with you. OK.

Let's continue with other witnesses who would like to get into this question that I started to ask Chief Tidwell and Senator Murkowski asked you all at the BLM.

Why don't we even go right down for you other four, so each of you have a chance to say it?

Give us a couple of ideas from your perspective that meet our test, streamlining NEPA, getting the harvest up, keeping environmental values. To the extent you can, I mean, models like landscape-size projects just strikes somebody from your seat of your pants as sensible. Why not do the analysis once for a big project then eight, ten, fifteen times for these smaller projects.

So let's start with you, Dr. Johnson. Each of you have a chance here to tell the U.S. Senate your ideas with respect to streamlining NEPA and the balance that we're talking about.

Dr. Johnson.

Dr. JOHNSON. Thank you, Senator Wyden. I want to use for my analogy the Eugene District of the BLM.

Fifteen years ago harvest in the Eugene District of the BLM under the Northwest Forest plan about came to a halt. It had been sharply declining and the district realized they needed a new approach. They started shifting to plantation thinning. By the way much of that thinning is in reserves.

They started. They had a lot of fits and starts. They had a lot of challenges. In the last decade they haven't had hardly any protests or appeal including thinning and reserves that produce saw timber.

Now why is that?

The CHAIRMAN. I was going to ask that question.

[Laughter.]

Mr. JOHNSON. They've made their case. They have made their case that in fact that these actions have ecological benefits and they have economic benefits. In addition they have left a forest that the public can support, just in terms of its appearance.

So streamlining NEPA. Procedurally it's very important. But the notion that if we're going to get over these hurdles we have to effectively make our case is at the heart of this.

We now are working with Eugene BLM to startup this variablely retention harvest which does create openings. The Eugene BLM has totally stopped that even though it had historically done it because they couldn't make their case.

We now are working with them on major projects to do this. At least in the short run we're probably going to solve the problem they haven't gotten any appeals or protests for the last decade because they'll be starting this up again. Starting to make the case.

So I, Jerry and I, Franklin have concluded that at the heart of this that on these Federal forests you have to convince people this is both good for forests and good for people and good for all the creatures within them. That is the approach we're taking to do this.

The CHAIRMAN. Alright.

Mr. Maisch.

Mr. MAISCH. Yes, thank you, Mr. Chair.

I'd go back to my original testimony to that triple bottom line. You know, it has all 3 elements that have to be considered if you're going to sustainably manage forests. But more specifically I think Chief Tidwell is on the right track.

I think especially with his two suggestions about larger project areas and perhaps describing a condition a forest should be in from a healthy standpoint. Of course, as was already pointed out by Senator Risch, different forests have different needs. So I think there needs to be flexibility in how NEPA is applied across the landscape. It's not one size fit all.

Also within the agency itself, I think it's a very cumbersome process and economics need to be considered right up front. They have a series of gates that they go through when they design a timber sale. Gate one is the first gate. You need to look at economics of what you're proposing to do at that step as opposed to the end of the process when it's very difficult to change what the alternatives might look like.

Also within the Forest Service the IDTs that they use to prepare these NEPA documents. I think there's some real room for really targeting a smaller group of people that are the experts that do these documents, time and time again. So it's spreading it out over a larger part of the agency.

The CHAIRMAN. Let's see if we can get our other two witnesses in. Then recognize Senator Murkowski.

Mr. Imbergamo.

Mr. IMBERGAMO. Very quickly, sir.

One of the biggest things we could do is one of the things you were involved in with the Healthy Forest Restoration Act which is in areas where there was fire prone lands and wild land urban interface. They're only compelled to analyze one alternative and

perhaps one alternative that's suggested by a local collaborative group. The Chief alluded to that.

Reducing the number of alternative study, you know, certainly could make these piles of paper smaller.

The CHAIRMAN. You can save some time for the next round of questioning because what you're in effect saying is that you ought to give some extra advantage in the regulatory process when there is a collaborative, where there are industry and environmental folks working together and coming up with a suggestion, for example, as we were seeking to do with the Healthy Forest Restoration Act. You would give that an advantage in the queue for consideration?

Mr. IMBERGAMO. I certainly think that's one thing you could look at. Of course, I think collaboration, in our view, includes collaboration at the bid table. Some of the most successful timber sale programs across the country.

The CHAIRMAN. Understand.

Mr. IMBERGAMO. Have just been commercial timber sales and they've used KV to do all the ecological work. They had the support of a youth swath of the environmental community.

I particularly point out the Ouachita National Forest in Arkansas has paid for all the habitat work with traditional timber sales. As overhead has killed KV, they've switched to stewardship contracting. That's kind of the Forest Service discovering capitalism when they only get 35 cents on the dollar out of KV they have to go to something else to get the work done.

So I think that collaboration can include collaborating at the bid table with the industry.

The CHAIRMAN. Fair enough.

Mr. Miles.

Mr. MILES. Yes, Mr. Chairman.

So my perspective is that why I'm here today as part of the Clearwater Basin Collaborative. You know, we have been fortunate that collaboration has worked in our area. We've come a long ways, but we still have a ways to go with some of our projects.

It would be much harder for us to do this if we all on individual terms. So, you know, moving from something like from a watching these forest systems condition change all the way to being an active in supporting the Forest Service. That's huge, you know, for these areas in rural America.

That's where we need to be at being able to help the Forest Service. Giving them the social license to be able to feel stronger in the recommendations and moving forward. The line officers actually doing their jobs.

So that's ultimately our message.

The CHAIRMAN. Very good.

Senator Murkowski.

Senator MURKOWSKI. Thank you, Mr. Chairman.

You know we talk a lot about balance in this committee. Balancing our desire to advance energy solutions against the environment, the economy. But Mr. Maisch, you made a comment in your response to the Chairman here that we need to look at the economic benefit, the economic factors right up front rather than on the back end.

I think in your initial comments you mentioned that it's your sense that within the Forest Service currently there is perhaps too much focus on restoration rather than on the economy itself. You cite to the situation at home in the Tongass where the regional population is down 5 percent, school population is down 15 percent. Five communities or excuse me, 5 schools within these communities have closed.

Those are economic indicators of a dying economy. So as we look to the solutions out there, as we look to how we find this balance between our environmental laws which we all recognize are there for good reason. We have to make sure that they do not bury our communities.

Really deny them of an existence. So how we are able to access our resource, do so in an environmentally responsible way and in a timely way is going to be key to the sustainability.

I know that I'm not just talking about Alaska. The Chairman has had communities in Oregon that they are literally drying up and blowing away when the mills closed down. So how we can be working together, Mr. Chairman, as a committee to try to advance some of the suggestions that we have heard today, I think is going to be key.

They're going to be key to so many of the small communities in my State and in rural Oregon and other parts of the country as we try to reckon with a policy that has taken us away from this concept of multiple use to a point where we're just not seeing reliable, certain supplies coming out of our forests that will help, not only with healthy forests, but healthy communities economically.

So we've got a lot of work to do, Mr. Chairman. But I really applaud you for moving us forward on this discussion and look forward to advancing some solutions.

The CHAIRMAN. Thank you, Senator Murkowski.

As we've talked about so often there are really, in our part of the world, some models that work. We're starting to see them in the questions. I've got just a few more questions for all of you that all go to Senator Murkowski's point.

We have talked about this often in the past. But the two of us are committed on a bipartisan basis now to stay at this until some of these issues like streamlining NEPA, collaboration, to really use this as a time for major forestry reform. Let me just go through a few other areas that I want to touch on and let Senator Murkowski wrap up.

First, for the record, I'd specifically like to hold the opportunity out for each of you to give your suggestions for how we might advantage the collaborative groups. Are there ways that we can reduce their paperwork, where we can reduce the amount of time and review processes? Ways in which we can insulate that work from a needless, really gratuitous stalling.

I mean, Mr. Imbergamo mentions the Healthy Forest Restoration Act. One of the key factors in that is we did not lock the door to the courthouse. But we also said there's no constitutional right to a 5-year delay and just have delay after delay after delay.

There's got to be something practical to do here. I particularly like to say when the environmental community and the timber industry come together as they did in Eastern Oregon, we ought to

find some ways, as part of the regulatory system, to ensure that's rewarded.

So we'll hold the record open on that point.

Now the next area I would like to get a sense of with respect to you, Chief and Mr. Farquhar, is something that all of us from resource-dependent areas hear constantly. That is the frustration in rural communities as to when a forest or a district's timber target is not hit.

The people often come up to us. I'm sure Senator Murkowski has exactly the same experience. Say at a town hall meeting, they put in the newspaper that they were going to hit this target. They didn't even come close. Even despite this one thing that went wrong over here, they didn't even come close.

So my question for both the Forest Service and Mr. Farquhar is what's going to be done about this? The additional point that's often made in rural communities is hitting the target doesn't seem, for harvesting timber, doesn't seem to be as important as hitting other targets.

So how would you two respond to that? How can we begin to lock in to some of these reforms that we're talking about? Something that ensures that a timber target is something meaningful and not something that's honored more in the breech than in the observance?

Chief, why don't you start and then Mr. Farquhar, get you into that too.

Mr. TIDWELL. Senator, I'll start with the change that we made a few years ago that we used to have a target of how much timber you offered. What we found is that you'd make an offer and of course we'd get an appeal or a lawsuit. Nothing would go forward.

So we changed that to hold our line officers more accountable, it's timber that's actually sold so they have to be able to get it all the way through the process before they actually accomplish their target.

That's what we focus on. We track this in our regions. When we have a region that's not meeting their target, they need to be able to justify it. I'll use our region one, Montana, because the court cases have gone against us last year we do factor that in, but they will also ask, what are you doing now to be able to address timber targets so that next year that's not the case?

So we do track that very closely and hold people accountable.

We also look at where we can make a better investment, as we don't have a lot of flexibility in our budgets. They're very, very tight.

But within the regions they look at where, if they have an opportunity, they might be able to get a little more work done in one area verses another depending on it might have been a bad fire season or whatever is factored into that. We also shift funds around to get more work done every year.

So I really track the targets based on the regions. Regional foresters, they track it based, you know, going down to the forests.

The CHAIRMAN. The only thing I'd say, Chief. I know you're trying to be constructive in this area. We're already hearing some of this in the discussion of the O and C areas and where, because, you

know, we're talking about a partition with some lands segregated for harvest protection.

People come and say, well, Ron, all the harvest is going to be outside the small rural areas and they're still going to get flattened.

So I understand what you're trying to do. But the targets have got to be representative of the area, and if people feel that the small rural areas are going to be left behind, then we're still going to have a problem with that.

Mr. Farquhar, on the target question.

Mr. FARQUHAR. Thank you, Mr. Chairman.

I think historically there was more of a problem with that than maybe there is right now.

The CHAIRMAN. You've got to come to one of my town hall meetings because the problem is now. People come and they will literally bring newspaper articles where they say so and so from the local BLM or the Forest Service office said we're going to harvest this amount. Then they produce the article that comes a year later or 8 months later where it just harvests a fraction of amount.

So if you think this problem is gone, come by one of my town hall meetings in rural Oregon sometime because people bring those newspaper clippings and they're doing their homework in good faith. These are people who have actually kept tabs on it. They're not acting like this problem is gone.

Mr. FARQUHAR. I hear you, Senator.

I think it was especially big in the 90s is what I'm referring to because the, you know, there was a sudden——

The CHAIRMAN. I've been to almost all my counties this year. This is not something from the 90s. I don't want to belabor. This is something I hear all the time.

Mr. FARQUHAR. Let me give you some of the numbers. We have actually met the targets the last 3 years of 200 million board feet.

We also have a pretty good record because these are the thinning type projects. They aren't as controversial. As Dr. Johnson said, you know, we only have a certain time horizon that we can be doing this with these thinning projects. They don't produce, as Dr. Johnson said, as much revenue as some of the larger sales.

But we offered 609 million board feet over the last 3 fiscal years and 124 or about a quarter of those, a little less than a quarter, were protested or appealed or litigated. We were able to resolve 92 million board feet out of those 124 and that leaves an unresolved 32 million board feet out of those 3 years which is about 5 percent of the total that we offered.

So I think it was—what I meant to say earlier—the problem of off—which I think the Chief talked about too, of offering and then getting into appeals and it doesn't really count if half the stuff you offer goes into appeals and you never get it back out. I think we were doing better on that than we had been, partly because of what we're trying to harvest.

I think we do have a challenge moving forward, a significant challenge, coming up with a good volume based on what the forest can produce and what the public will accept with these new techniques that we've introduced today and talked about a little bit today and are presented more thoroughly in Dr. Johnson's testimony.

I think there's a prospect that we will be able to increase the harvest.

We will have the public buy in.

We will show the ecological and economic benefits of these types of sales.

We will be able to say that we've reduced the protests or appeals as well.

So the prospects are, I hope, getting better.

As we do these 6 land use plans we're hoping we'll also accomplish something of what you're talking about of trying to map out the future a little bit and streamline the future NEPA process for the individual sales.

The CHAIRMAN. That certainly sounds constructive. What I'm concerned about, in addition to this question of not meeting the targets, is the sense that if you don't hit other resource management targets what happens is you get more staff and more funding in the next year. But that hasn't been the case with respect to the timber harvest.

So I think we're going to want to follow up with both of you on that.

Let me go to you, Dr. Johnson, if I might because it seems to me that we all take away from what you and Dr. Franklin have been doing is you're essentially making a case for saying you can get the harvest up without clear cutting and some of the old approaches, the old intensive forestry approaches.

Can you describe for the public, sort of in shorthand, how that is and some of what's already gone on in the O and C debate? What Senator Murkowski and I were already talking about.

I asked Senator Murkowski about her moist forests. She tried not to laugh too much in the public square here. Because we're up in front of everybody in the rostrum as they have really moist forests, like very soggy forests.

So your ideas could be very helpful, particularly if they move us to getting the harvest up without some of the old clear cutting and intensive forestry strategies.

So summarize for us how that is. How you make that possible?

Mr. JOHNSON. Yes, Senator.

Senator Murkowski, yes, I've been to your forests. You definitely are on the wet side.

Just a very short story. When we were first starting these ideas, the ecological forestry ideas, and I try them out in my classes first, to give my classes the assignment, to see if they can do them. I'll never forget a student came in and said to me, well I talked to my mom last night and I tried to tell her what the project was. We're doing this variable retention of harvest. It's a regeneration harvest.

It took 45 minutes for me to convince her it wasn't clear cutting. A student actually said that to me. How's it different? How's it different because that's the reaction you get from people.

It's different fundamentally. It's different in almost every way in terms of the philosophical underpinnings. They're not agriculturally economic. They're natural disturbance and natural development.

It's different in terms of instead of trying to achieve simplicity. You're trying to achieve complexity.

Most fundamentally how is it different on the ground? There are some examples in my testimony. Some pictures with classic clear cutting you come in and basically remove all or almost all of the stems. Start over.

With this approach you don't really start over, you're trying to have some continuity. You try to reflect the kind of legacy forest you might have after a major disturbance with some patches of trees, some individual trees. Keeping the old trees, those sentinels that almost always are best at withstanding disturbance, keeping them there.

But as much and the part that was really the change in Oregon, and we're still working out, was what happens after that?

So now you do have some openings. They're intermixed with patches of leave trees and individuals. But what you do then is fundamentally different.

What we do then is try to emulate how the forest would reappear if in fact there was a disturbance. Generally, at least in the Northwest and in the moist forests there, you go through a stage where trees are not dominant. Where it's the shrubs, that forge, the flowers, the fruits and they are, that stage is, the most biologically diverse in terms of butterflies, such as the golden hair streak.

Debbie, my wife is right here. She's my butterfly expert.

The CHAIRMAN. Definitely pro butterfly.

[Laughter.]

Mr. JOHNSON. Golden hair streak which if you have Chinquapin, which is a pioneer plant. It can grow in older forests too, but it really thrives out in the open. It starts to flower again. That's where butterfly will appear.

That's amazing.

In terms of here's the famous, my favorite from my friend, Dr. Franklin, the beetle complement. I'm sorry, but the beetle complement in the early stage forest is entirely different. Deer and elk thrive on these.

How is it different than a classic clear cut?

Because after the classic clear cut and now you see it out in industrial land, it's very good growing wood. You suppress that vegetation. That's not what you want generally with herbicides.

What you want is to clear the land to grow commercial trees. Thus it's a very sterile environment. Whereas what we're talking about is letting the little trees come back through. There is a modest amount of planting. I mean these are lands to produce timber, but there's a modest amount of planting.

But it's a whole different progression. It's a progression that you would generally see in the natural process. That is fundamentally different from the way we've thought about forestry in my college and out in the profession. It's really to create this stage after harvest, before the next forest comes, that what we call this diverse early successional stage.

It's really important. We're lacking it. We're lacking it significantly.

The openings we create in forests generally are on industrial land. We don't have this anymore. There is a series of species from bluebirds to some butterflies and months that we're worried about

because of the lack of this vegetation, let alone our deer and elk populations and where they head when they don't have this.

We feel this is important enough that I make this statement to my students. Some of them came to me and said, can we write a children's book on the importance of this as our last assignment? I said yes.

They've written a first draft which is in fact with drawings. One of them is such a great artist. I'm going to try to move forward with it. It really is the search of a little girl for the bluebird and the kind of forest she goes through.

She goes and sees a Northern Spotted Owl, says you won't find them here. She goes on and on and finally gets out in the open in this wonderful, botanical, amazing botanical environment in the post harvest environment if you let this go. It is fundamentally different.

The CHAIRMAN. Well said. I don't know if we've ever introduced material from a children's book, Senator Murkowski, into the record. But you just heard from my colleague she'd like to read it too.

I just have one last question and I want to let Senator Murkowski finish up. That is for the BLM folks on the spotted owl critical habitat question. Because I think this is interesting.

Obviously it's of great importance to all of us that we wrestle with the O and C issue. But it has real implications nationally in terms of what people are looking at. The Chief and I have talked a little bit about this as well.

The Fish and Wildlife Service has recently issued critical habitat for the Northern Spotted Owl and has provided guidance that some harvest in the habitat can occur and actually, as the Chief and I have discussed, help retain the habitat for owls in the long run. In other words, this is a way to try to figure out how you can get the harvest up and be sensitive to habitat and environmental values that, in effect, fish and wildlife is saying that habitat and habitat conservation and the harvests can go hand in hand.

My question to you all at the BLM is how do you intend to work with the Fish and Wildlife service to ensure that projects are implemented in critical habitat and are consistent with their recommendations?

Mr. FARQUHAR. Thank you, Mr. Chairman.

That is a new opportunity both to improve the ecology and the ecological balance but also to make sure we're protecting the owl. A lot of it has to do with the kind of things that Dr. Johnson has been talking about. It's important for us to make sure the public understands that as well.

I think one of the points Dr. Johnson made earlier is that sometimes, and I'm going to paraphrase. I'll probably do him harm in the process. But the public might not understand that yet. They might think that critical habitat needs to remain undisturbed.

That's why the principles that you have introduced, Mr. Chairman, for this management approach, this vision, if you will, for what we're trying to achieve needs to come first and people need to buy into that. Then we start talking about the techniques of achieving it.

We've seen in these pilot sales that Dr. Johnson has helped the Bureau of Land Management with that, you know, we aren't getting a whole lot of appeals. We are getting some, but we're also able to do things that are pioneering and that they start with this idea of pilot, you know, that's a very important word. We're a little beyond the pilot's phase right now in some respects.

But we're engaging the public. We're trying to help them understand yes, it's going gradually. Yes, it's largely emphasizing projects that are pretty small. But it's a very good start for trying to create that public understanding, that public support.

Dr. Johnson, I think you'd probably be able to add to that or improve on that a little bit, if you could.

Mr. JOHNSON. Very briefly.

One of the real delightful things with pilots and now the ecological forest is how U.S. Fish and Wildlife stepped up and said we'll work with you from the beginning to make these projects happen. You're still the land management agency. You've got to make your decisions. We'll work with you and boy, have they.

This new critical habitat rule in which Paul Henson and also the recovery plan says we're really going to focus on the ecosystem on which the species depends like it says in the Endangered Species Act and all aspects of it and both maintaining and enhancing all aspects and understanding the role of timber harvest to do that. They've been doing that. It's the reason why we've gotten this far with the pilots. It's that simple because of their tremendous cooperation and the BLM's willingness to do it.

It may be my last chance to say something. I just want to say the reason that Jerry Franklin and I are optimistic. We have some pretty lively meetings, as you can imagine, Mr. Chairman, with the public, is because of the young people in the BLM and their desire to think creatively. It's great.

The CHAIRMAN. Well said, Dr. Johnson and very appropriate because there are a lot of good people in these agencies.

In the Forest Service, the Chief and I have talked about that. Mr. Farquhar, a lot of good people. We're going to need them all because as I tried to touch on a little over 2 hours ago, the status quo is just unacceptable.

If we're going to leave on one note, that is the note to leave on. Clearly you can talk about efficiencies, litigation, and all the rest. The amount of timber produced off Federal forest lands has declined dramatically. It's declined dramatically. We've got to figure out a way to get the harvest up and do it consistent with our environmental values.

I think we received a lot of good suggestions here today.

Chief, you explained the question of landscape size projects for purposes of addressing NEPA issues. Get the harvest up and protect environmental values in plain simple language that I'm going to use in a town hall meeting. I'm going to describe how we started talking about the ways in which instead of having 20 of these time-consuming analyses, we could have one for a major project.

So that's what we're going to need to do in the days ahead is we're going to look at the host of issues that we talked about here today that could go into forestry reform. We are not going to duck the big ones.

Senator Risch correctly said you've got to talk about NEPA. NEPA is now something we are going to work through here. For anybody who is sort of on the extremes and hears those words they ought to know that I do not believe increasing the harvest and protecting our environmental values are mutually exclusive. I do not buy that false choice.

I believe that it's going to be possible working with people of good will and good faith, like yourselves, to do both. That's what this committee is going to take as its load star.

I thank you all for your patience. It's been a long hearing this morning but a very valuable one.

With that the Energy and Natural Resources Committee is adjourned.

[Whereupon, at 12:15 p.m., the hearing was adjourned.]

APPENDIXES

APPENDIX I

Responses to Additional Questions

RESPONSES OF THOMAS TIDWELL TO QUESTIONS FROM SENATOR WYDEN

Question 1. In the Chiefs written testimony he cited the funding increased from a low of $180 million in 1995 to $335 million in 2012. Please explain the discrepancy between the increased funding for the timber sale program over the last 17 years and the sharp decline of timber harvests on federal lands—by more than a third—over that same time period.

Answer. The funding mix has changed substantially between 1995 and 2012 as displayed in the following table. As you can see, the appropriations for timber sales have increased but the use of Salvage Sale Funds has dropped significantly. When adjusted for inflation (CPI) the value ofthe funding in 1995 is greater than 2012.

Funding Source	1995	2012
Appropriations	$180 mill	$335 mill
Salvage Sale Funds	$155 mill	$23 mill
Knudsen-Vanderburg Funds	$0 mill	$10 mill
Nominal Total	$335 mill	$368 mill
Inflated Total	$505 mill	$368 mill

Fire transfer and sequestration have also created instability.

The volume sold in 1995 was 2.89 billion board feet (bbf). In 2012, the Forest Service sold 2.64 bbf, or 91 percent of the 1995 volume. In summary there has been a 27 percent reduction in funding "purchasing power" but only a 9 percent reduction in output.

Question 2. Chief Tidwell, Bill Imbergamo raised in his testimony the litigation surrounding the Colt Summit Project on the Lolo National Forest being conducted as a part of the Collaborative Landscape Restoration Program (CFLRP). CFLRP is a very successful program, particularly in my home state of Oregon where excellent collaborative restoration work is being conducted under the program. Can you confirm that Colt Summit is the only CFLRP project that has been litigated to date?

Answer. Yes, we confirm that Colt Summit is the only CFLR project that has been litigated to date.

Question 3. Chief Tidwell, can you provide a short analysis of the number of projects, funded through the Collaborative Forest Landscape Restoration Program, (CFLRP) that were appealed and that were litigated, and how these percentages compare to the percentages nationally for appeals and litigation?

Answer. The CFLR program was authorized in 2010 with only 10 projects. Subsequently, Congress authorized additional projects in FY 2012 and FY 2013. However, the number of project decisions is still relatively small, and so it is difficult to discern the true patterns of appeals and litigation. In some cases, discussion has successfully forestalled litigation. As of February 2013, of the 44 decisions that have been made that included commercial harvest of forest products, 20 percent (9) had

been appealed and 2.3 percent (1) had been litigated. Those nine appeals were on five projects with four of those appeals on only one project.

Between 2008 and 2012, of 1539 Forest Service decisions that included commercial harvest of forest products, 22 percent (339) were appealed and 2.5 percent (39) were litigated.

Question 4. I believe we should highlight the successes of collaboration and incentivize collaborative efforts to get restoration work accomplished. Assuming some minimum standards for defining a collaborative group were established, would it make sense to afford restoration projects endorsed by a collaborative group a lighter paperwork burden, less administrative review, and/or more protection from stalling litigation?

Answer. We have not considered this. However, we have been exploring opportunities for efficiencies with the Council of Environmental Quality (CEQ). To accomplish more effective vegetation management, the Forest Service is fostering a more efficient National Environmental Planning Act (NEPA) process by focusing on improving agency policy, learning, and technology. These NEPA process improvements will increase decision-making efficiencies and public engagement, resulting in on-the-ground restoration work getting done more quickly and across a larger landscape. In addition to the Forest Planning rule the agency has initiated a NEPA learning networks project to learn from and share the lessons of successful implementation of efficient NEPA analyses. The goal of this effort is to maintain decision making transparency for the public and ensure that the Agency's NEPA compliance is as efficient, cost-effective, and up-to-date as possible. Specifically we are looking at expanding the use of focused Environmental Assessments (EAs), iterative Environmental Impact Statement documentation (EISs), and applying an adaptive management framework to NEPA.

Our landscape-scale NEPA projects will also increase efficiencies.

Question 5. What minimum criteria for the local collaborative should the Forest Service or BLM use to trigger a lighter administrative burden for NEPA?

Answer. We have not considered this.

Question 6. How specifically should the implementation ofNEPA be different for projects endorsed by a collaborative group?

Answer. This has not been determined.

RESPONSES OF THOMAS TIDWELL TO QUESTIONS FROM SENATOR BALDWIN

Question 1. Members of Wisconsin's timber industry have expressed to me their strong concerns with the level and timing of timber harvests allowed on federal forest land. One of the things I hear most frequently is the need for certainty -that includes long-term certainty in the time of year contracts are made available, and the time a contract takes to be finalized. In what ways is the Forest Service addressing these challenges of certainty and timing within the current contracting framework?

Answer. I agree with you that providing an amount of timber for sale that is consistent and predictable is an appropriate goal. We have worked hard to become more efficient in preparing timber for sale. Between 1995 and 2012, accounting for inflation, the value of our funds for preparing timber have declined 27 percent but our timber sold has only decreased 9 percent. The amount of money appropriated has a significant effect on the level of timber that is offered. It takes 2-3 years to plan and prepare a project for sale. Therefore, an abrupt change in funding year to year is problematic.

Question 2. Members of the timber and forest products industries in Wisconsin have been carefully watching the progress of stewardship contracting projections. First, please address the way that you measure the effectiveness of these projects. Second, please describe some of the challenges stakeholders face when entering into these stewardship contracts?

Answer. The Forest Service collects a variety of data to measure the accomplishments of stewardship contracts and agreements, including the amount of timber sold, wildlife habitat improved, fuels treated, invasive species treated, trees planted, and road improvements. Stewardship contracting has proved to be a valuable tool in many locations to implement restoration activities and meet multiple land management objectives including hazardous fuels reduction, wildlife habitat improvement, forest health improvement, and other projects that produce timber. These contracts result in 25 percent of the timber volume produced by the agency with the remaining 75 percent coming from traditional timber sale contracts.

The Forest Service has contracted with the Pinchot Institute for Conservation for programmatic multiparty monitoring of stewardship contracts and agreements as another way of measuring their effectiveness. The results of the FY 2012 pro-

grammatic monitoring efforts by the Pinchot Institute are available online at: http:// www.fs.fed. us/:forestmanagement/stewardshiplreports/i ndex.shtml .

The following answer addresses some challenges that contractors have had as a result of bidding on and implementing stewardship contracts:

- Stewardship contracts usually include work items not traditionally included in timber sale contracts, such as precommercial thinning, reforestation, hazardous fuels treatment, fisheries or wildlife habitat improvement, trail maintenance, etc. Traditional timber sale contractors often need to find the expertise and subcontract the work if they do not have the expertise to complete the contract.
- Since stewardship contracts are based on best value to the government, rather than only on price, contractors have additional information they must provide, depending upon the criteria included in the bid request. This can be a challenge when a contractor first starts competing for contracts.

Question 3. As climate change has been predicted to cause greater pressures on forest health from both pests and fires, is the agency considering timber harvesting to Annual Sale Quantity levels as a method to reduce the effects of climate change on national forests?

Answer. The Forest Service's approach to climate change has and will continue to be directed at building resilience to climate-driven and other stressors as you described. We implement timber harvests and other management actions aimed at restoring the resilience of ecosystems, thus making them more adaptive to a changing climate. Thinning forests improves stand vigor, reduces hazardous fuels, and reduces vulnerability to wildfire, disease, and insect attack while also providing forest products, other ecosystem services such as clean water, wildlife habitat and rural jobs. The Agency continues to explore new ways to become more efficient, as outlined in the February 2012 strategy for increasing restoration activities across large landscapes, including more timber harvesting. Through these efforts, in spite of flat or declining budgets, fire transfer, and sequestration, in the past few years the Forest Service increased the volume sold, from 2.38bbfin 2005 to the 2.64 bbfin 2012, though budget cuts resulted in a slight decline in 2013. The use of harvesting timber as a tool to address climate change is affected by the level of appropriations, litigation, and other competing values from the forests. The Annual Sale Quantity is an upper limit of timber volume that can be sold from a forest. Appropriations have not been sufficient to meet this upper limit. In addition, in the new Planning rule there is no ASQ, as activities are based on restoration needs.

Question 4. How does the Forest Service intend to utilize funding available from stewardship contracting retained receipts? Will they be used to maximize forest health treatment across all of the National forests?

Answer. Stewardship contracting retained receipts become available when the sale of forest products exceeds the cost of the service work obtained under an integrated resource contract. The retained receipts are used to complete resource work, including:

- Improving, maintaining, and restoring forest and rangeland health
- Restoring and maintaining water quality
- Improving fish and wildlife habitat; reestablishing native plant species
- Reducing hazardous fuels that pose risks to communities and ecosystem values
- Decommissioning roads

Stewardship Contracting retained receipts remain on the unit where the receipts were collected for use on other authorized stewardship projects. Funds can be used on other units after approval by the regional forester in the region where the receipts were collected.

Responses of Thomas Tidwell to Questions From Senator Murkowski

Question 1. Generating a more certain and predictable flow of timber from our national forest to support rural economies is a challenge the agency and Congress are grappling with. One approach to create that certainty is to legislate treatment levels or timber supply mandates for a particular forest or forests that the agency would be required to meet. What is the Forest Service's view of legislated treatment levels and supply mandates? Does the Forest Service support this approach to create more certainty with respect to timber supply?

Answer. Legislating treatment levels will not assure that a particular forest or the agency as a whole will be able to meet those levels. It may impact the discretion that the Forest Service has to provide for the needs across a region or the nation. In addition, legislating treatment levels does not ensure that the Forest Service will have the funds to do the work. It also does not take into account appeals or lawsuits

that may prevent the Forest Service from achieving the targets. Legislative mandates also remove the opportunity and flexibility to address important needs resulting from catastrophic natural or economic events, or for changes across the system over time that may arise during the budget cycle.

Question 2. In your written testimony, you state that timber sales remain the mainstay of the agency's restoration efforts, yet all the highlighted examples of restoration work being undertaken across the country appear to be using stewardship contracting. What percentage of your restoration work is actually accomplished through traditional timber sales (not Integrated Timber Resource Contracts under Stewardship authority)?

Answer. 75 percent of the timber volume sold by the Forest Service in FY12 was sold through traditional timber sale contracts. Both our timber and stewardship contracts support restoration goals.

RESPONSES OF JOHN "CHRIS" MAISCH TO QUESTIONS FROM SENATORS MURKOWSKI AND WYDEN

Thank you for your interest in my presentation to your committee and your follow-up questions. I apologize for not being able to respond more promptly, but a long and difficult fire season in Alaska precluded me from devoting time to this response until recently. As you may know, over 1.3 million acres burned in Alaska this fire season and two Type I incidents were close to communities, with the Stuart Creek fire near Fairbanks causing evacuations of over 800 individual homes and businesses. As our wildland fire season finally slowed in late August, we shifted our attention and full support of fires in the Lower-48. Both your questions are good ones and not easy to answer. The topic of collaboration and how to apply this technique for decision making, usually among very diverse parties, has been around for a long time. The U.S. Forest Service and other land management agencies have turned to this concept in an effort to have a more transparent decision making process and to involve the various stakeholders in discussing, crafting, and ultimately supporting a specific direction or action for management activities.

I've personally participated in this type of process on several occasions, both at the state level and more recently with the Tongass Futures Roundtable as convened by The Nature Conservancy (TNC) and other organizations. When a collaborative process is successful, it can create an enduring environment for agreement and productive activity in our forests, but when it fails, the old battle lines are quickly reestablished or a long, drawn out collaborative process leads to no action or decision. Is it worth the effort? I've thought a lot about that aspect of the process, and overall I would answer "yes", but with some qualifiers. With this as my preamble, I'll do my best to answer your specific questions and share my experience.

QUESTION FROM SENATOR MURKOWSKI

Question 1. There has been a lot of positive talk about collaboration as a process or means for building trust and accomplishing mutual goals, such as, increasing forest restoration and timber harvest on federal lands. I understand you have some experience with collaboration in Alaska on the Tongass. Can you describe that experience?

Answer. In 2006 the State of Alaska was invited to participate in the Tongass Futures Roundtable (TFR) process along with a variety of local government officials, NGOs, a number of environmental organizations from both the national and local level, industry representatives from the major business sectors in Southeast Alaska, Native organizations, both tribal and corporate, foundations, and the U.S. Forest Service. This very diverse and large group consisting of 35 primary members was charged with crafting an alternative to be considered in the Forest Management Plan amendment process that was underway for the Tongass National Forest. The effort began with a joint meeting of the invited parties in Bothell, WA in May of 2006 with a subsequent agreement to launch a "collaborative" process.

Oversight, staffing, and organization of the TFR were primarily by The Nature Conservancy with funding from a number of foundations and organizations. A meeting facilitator was utilized for all the full TFR meetings. As the group began organizing internally, various working committees were established to address specific issues identified by the group. In an effort to be even more inclusive, the working committees were open to participation by individuals or organizations with an interest in the topic, especially if they were not a primary member.

One of the work products desired by all early on in the process, was a land use allocation map that would identify the areas where active timber harvest could

occur on the forest[1]. A tremendous amount of time, effort, and resources were devoted to this goal, but it was never achieved. I think the best agreement the subgroup tasked with this effort were able to reach, was about 2/3rds of the acreage needed to sustain a forest products industry.

Over the course of the next six years, the Roundtable would meet as a full body 20 times. The various working committees would meet more frequently and the Framework Committee which I chaired met 21 times in a three year period (2007-09). Progress was slow and much of the first year was spent building some relationships between parties that could barley sit in a room together. The Tongass has been a difficult issue for a long time, a battle ground for environmental, fishing, and timber interests all bent on their version of what the Tongass should be, how it should be managed. Often the communities, businesses, and residents of SE are the ones caught in the crossfire while allegiances and allies at both the local and national levels shift issue by issue.

While there were some small successes, they were limited in scope and scale and the full body was never able to achieve the type of breakout from the past that the process envisioned. A lot of people worked very hard and took personal risks to try and move forward, to find a route that could lead toward a common vision, something better, but we couldn't get there. I still find that part of the experience very frustrating, in part, because I don't like to fail, but also because of the eventually unrealized hopes people had at the beginning of the process. A few members who were unwilling to compromise, to truly collaborate, won the day, and that leads me to a key observation of the process. All the primary members must have something at risk, something they will lose if the group can't reach a decision, something that puts them at greater risk to stand alone. Without this motivation, they have little to lose and can actually use a process like this to buy time, knowing in the end that they have veto power by not agreeing.

QUESTION FROM SENATOR WYDEN

Question 1. I believe we should highlight the successes of collaboration and incentivize collaborative efforts to get restoration work accomplished. Assuming some minimum standards for defining a collaborative group were established, would it make sense to afford restoration projects endorsed by a collaborative group a lighter paperwork burden, less administrative review, and/or more protection from stalling litigation?

What minimum criteria for the local collaborative should the Forest Service or BLM use to trigger a lighter administrative burden for NEPA?

How specifically should the implementation of NEPA be different for projects endorsed by a collaborative group?

Answer. I would agree with your opening statement and endorse the concept of providing stronger support and protection or limits to litigation for projects derived from a collaborative process. This would help address the issue of litigation by "outlier" organizations or individuals that did not participate in a collaborative process, but are able to derail a project agreed to by this process.

I'm not an expert in this area, but would suggest that reform to the NEPA process as currently practiced might provide fewer opportunities for the appeal and legal process to play out. For example, a Forest Plan[2] goes through an extensive NEPA process and then almost every action to implement the Forest Plan also goes through another exhaustive process. Individual projects, such as timber sales, can take 18-30 months to complete the process.

What if there was only one NEPA process at the Forest Plan level that would allow projects that are implementing the Forest Plan to move forward without a separate NEPA review. This type of programmatic review would save considerable time and funding and allow active forest management to proceed in support of economic, restoration, and forest health goals across the country. Efforts to stall or challenge work would be kept at the Forest Plan level and limit the constant challenges that have slowed the process of implementing Forest Plans.

To more specifically address your question concerning "What minimum criteria for the local collaborative should the Forest Service or BLM use to trigger a lighter administrative burden for NEPA?" I would suggest that a lighter administrative process shouldn't be tied to collaboration. While this technique works well in some situations, it can be very time consuming and take many years to achieve even modest

[1] In Forest Service planning language a Forest Development Land Use Designation (LUD).

[2] A Forest Plan has a shelf life of 15 years and is reviewed internally about every five years to ensure it is relevant to the criteria used in creating the plan. If there are significant departures, then a plan amendment is typically recommended.

results. I would contend that we need less NEPA process across the board to implement Forest Plans that have already been through an extensive public process. If you want to demonstrate how this concept will work in a few areas of the country, consider choosing locations with a functioning collaborative and others with none. It could provide a real time test of how this concept would work in practice and lead to useful insights on how to modify and expand the concept beyond initial pilots.

Another area for improvement would be the Forest Planning process. For example in the Tongass, a new Plan Amendment was completed in 2008 after 18 months of work. In 2013, as required in the Tongass plan, a five year review was undertaken and determined there had been significant changes in the operating environment of the Forest, including demands from the pubic[3]. This triggered a Forest Plan amendment process, which at its best will take two years to complete. I believe this is an extreme example, but we have a burdensome amount of planning taking place that again ties up funding and staff time which should be directed toward Forest Plan implementation. The new Planning Rule doesn't improve this situation and should be carefully evaluated with a goal of streamlining the planning process.

RESPONSES OF NED FARQUHAR TO QUESTIONS FROM SENATOR WYDEN

Question 1. I understand Oregon BLM is revising its resource plans for Western Oregon at this time. Part of that effort will require greater coordination and consultation with the agencies that manage endangered species—both the US Fish and Wildlife Service and National Oceanic and Atmospheric Administration (NOAA). It will be important to consider a planning process that builds on the successful coordination in recent projects by closely integrating these agencies in the planning. What plans do you have to integrate these agencies in the resource planning process?

Answer. The BLM in western Oregon is coordinating consultation on threatened and endangered species issues with both the US Fish and Wildlife Service (FWS) and National Oceanic and Atmospheric Administration (NOAA). First, the BLM has employed the DOI's Collaborative Action and Dispute Resolution (CADR) process and an independent facilitator to finalize an agreement between the BLM, FWS, and NOAA on how consultation will be addressed in the new plans. Second, in April of 2013, Forest Service Chief Tom Tidwell, FWS Director Dan Ashe, and BLM Principal Deputy Director Neil Kornze conducted a series of meetings in the Pacific Northwest to discuss implementation of the 2012 Critical Habitat Rule for the Northern Spotted Owl, including the application of active forest management. Finally, at the local district level, the FWS and NOAA have consulted with the BLM on the Secretarial pilot timber sales, including developing signed biological opinions on each of the pilots. This ongoing coordination and collaboration, with not only with the consulting agencies but other public stakeholders and cooperating agencies, is setting the framework for how the BLM plans to integrate input into the planning process, analysis, and final decisions.

Question 2a. I believe we should highlight the successes of collaboration and incentivize collaborative efforts to get restoration work accomplished. Assuming some minimum standards for defining a collaborative group were established, would it make sense to afford restoration projects endorsed by a collaborative group a lighter paperwork burden, less administrative review, and/or more protection from stalling litigation?

Answer. The BLM shares the belief that successful collaboration and incentivizing collaborative efforts are important to advancing restoration work. The BLM has embraced collaboration when conducting National Environmental Policy Act (NEPA) analyses to inform land use planning or project decisions, including for restoration projects.

While the BLM is open to more efficient ways to accomplish restoration work, the BLM believes that current NEPA regulations and guidance provide a sound framework for review of federal actions. Current NEPA regulations and guidance encourage Federal agencies to reduce paperwork and conduct more efficient administrative review by meeting with partners and stakeholders early in project planning, using "scoping" to narrow the issues warranting detailed NEPA analysis, and preparing concise NEPA documents of a length that reflects the scale of potential environmental impacts and mitigation. The BLM encourages its field offices to pursue these and other efficiencies through collaboration and to implement the guidance in the Council on Environmental Quality's Collaboration in NEPA Handbook. The BLM updated A Desk Guide to Cooperating Agency Relationships and Coordination with Intergovernmental Partners in 2012 to assist the BLM and other agencies in col-

[3] USFS press release 10-31-13, Tongass National Forest.

laborative efforts. In addition, the BLM maintains a Collaboration and Dispute Resolution Program and a Partnerships Program to provide support and guidance to the field in engaging stakeholders and partners.

The current NEPA framework is designed to provide for public review and engagement, and our hope is that a process that provides for opportunities for input reduces the likelihood of litigation as well, particularly where a restoration project is endorsed by a collaborative group. Where the endorsing group has addressed issues, bridged differences, and built support for a project throughout project planning and design, group members have less incentive to pursue litigation challenging the project.

Question 2b. What minimum criteria for the local collaborative [effort] should the Forest Service or BLM use to trigger a lighter administrative burden for NEPA?

Answer. A collaborative process facilitates efficiencies throughout the NEPA process, including those that improve the effectiveness and efficiency of NEPA analysis and document preparation. The BLM finds that highlighting the benefits of a collaborative process and applying general principles for preparing NEPA documents (e.g., concise documents that discuss issues in proportion to their significance) are generally useful for addressing the administrative demands under NEPA.

Question 2c. How specifically should the implementation of NEPA be different for projects endorsed by a collaborative group?

Answer. For the reasons noted above, the BLM believes that the current framework for implementing NEPA provides effective opportunities to seek the endorsement of a collaborative group brought together for a specific project. The current framework also allows a lead agency that obtains the endorsement of a collaborative group (e.g., for a preferred alternative or particular mitigation measures) to document that endorsement, use it to inform their decisions, and to defend any subsequent legal challenges.

RESPONSE OF BILL IMBERGAMO TO QUESTION FROM SENATOR WYDEN

Question 1. I believe we should highlight the successes of collaboration and incentivize collaborative efforts to get restoration work accomplished. Assuming some minimum standards for defining a collaborative group were established, would it make sense to afford restoration projects endorsed by a collaborative group a lighter paperwork burden, less administrative review, and/or more protection from stalling litigation?

What minimum criteria for the local collaborative should the Forest Service or BLM use to trigger a lighter administrative burden for NEPA?

How specifically should the implementation of NEPA be different for projects endorsed by a collaborative group?

Answer. As noted at the hearing, while FFRC members are—in many regions—actively involved in collaborative processes, we cannot support a policy solution that basically institutes an additional layer of mandatory local involvement in order to be eligible for NEPA compliance procedures that are widely acknowledged to be necessary across the National Forest System.

The hearing record clearly indicated that NEPA—and the court's interpretation of it—have led the agency to overanalyze even the most modest forest management projects. This level of analysis is what drives annual expenditures of more than $350 Million. These funds should be available to design an implement projects, not develop mounds of paperwork that serves only as fodder for litigators.

Collaborative projects such as the CFLRP projects cover only a small percentage of the National Forest system, and primarily only in fire prone regions of the country. Giving these projects a lighter paperwork burden only intentionally leaves in place what is widely regarded as a wasteful, inefficient, and unwieldy process for the majority of the National Forest System. Even if collaborative projects were to receive this preferential treatment, all you would have succeeded in doing, in effect, is creating a second, even more elaborate public involvement process, layered on top of the existing exhaustive analysis required by forest plan development, amendment, revision, and project development and proposal.

At what point would we simply be making collaboratives a substitute for forest planning? If that is the goal, then eliminate forest planning, or take other steps so that Congress is not simply accreting another layer of public involvement and analysis on top of the existing layer cake.

Moreover, simply giving collaborative projects a "leg up" in the various administrative and legal hurdles only leaves in place the existing underlying problem: a complete lack of clarity on the agency's mission and no direction from Congress to manage a portion of the landscape for timber production. If the agency is forced to

cope with its untenable NEPA burden with no direction from Congress, collaboratives, the normal timber sale program, and other hazardous fuels reduction efforts are destined to founder because of continued litigation, analysis, and lack of funds.

Ultimately, we believe a legislated trust mandate and legislative reforms to NEPA on lands identified as suited for and/or available for timber production in current forest plans is the best way to provide this clarity. We have outlined the basics of a trust approach in our testimony.

Whether projects are developed through a collaborative or as part of needed forest management treatments, the Forest Service should be given streamlined NEPA authorities for other lands identified as being at risk of catastrophic insect outbreaks or fire. The Committee should adopt legislation directing the Forest Service to implement streamlined NEPA on lands identified as being at risk of catastrophic insect outbreaks or fire.

1. Declare an emergency on all Federal lands designated as condition class 2 or 3 on wildfire risk maps, as well as and lands identified as priorities for treatment in a Community Wildfire Protection Plan.

2. Adopt alternative arrangements for all such lands for compliance with NEPA, including:

a) Allow any hazardous fuel reduction project, including creation of fuel breaks, thinning, creation of defensible space around developed property, campgrounds, or other facilities, to be carried out concurrent with development of NEPA documentation.

b) Require the Forest Service to analyze at most the proposed action and the no action alternative on any project conducted on condition class 2 or 3 lands, and explicitly limit required cumulative effects analysis to the current conditions the project area rather than exhaustive attempts to chronicle the effects of previous management.

c) Grant a categorical exclusion to any hazardous fuels reduction project on condition class 2 or 3 lands recommended by a collaborative group.

d) Put a firm page limit on EA's for projects on CC 2 or 3 lands in order to expedite action.

Further, the Forest Service should be required to adopt the following policies:

Direct each forest with a known bark beetle infestation to develop large scale control projects along the lines of the Black Hills Mountain Pine Beetle Response Project within the next 6 months. Directing these units to use HFRA will allow rapid analysis and allow expedited judicial review.

Develop a model forest plan amendment to allow each National Forest to plan, in advance of any catastrophic event, an active salvage and recovery program that allows the Forest Service to capture carbon from damaged trees and re-establishes green, growing, and carbon-sequestering forests as rapidly as possible. In general, on lands designated as suitable for timber production or otherwise designated as general forest, the Forest Service should adopt a requirement to salvage at least 75% of damaged acres.

Response of Bill Imbergamo to Question From Senator Baldwin

Question 1. Members of the timber and forest products industries in Wisconsin have been carefully watching the progress of stewardship contracting projects. Please describe some of the challenges stakeholders face when entering into these stewardship contracts.

Answer. Stewardship contracting is an important tool for the management of the National Forest, and FFRC supports reauthorization of this program. We must stress, however, that Stewardship contracts were not intended to—and should not be allowed to—supplant or replace normal timber sales as a means of accomplishing forest management on the National Forests. FFRC also has concerns about the growing impact Stewardship contracts are having on potential timber receipt revenue sharing with local governments.

As far as challenges facing stakeholders and timber purchasers, we view the lack of liability limitations in Stewardship Service Contracts as a potentially major obstacle. Already, this has figured into the thinking of major conservation groups who opted to stop pursuing Stewardship Service Contracts. Under current timber sale contracts, there is a distinction made between "operations fire" and "negligent fires." The amount of a purchasers liability is limited for operations fires to the amount specified in a bond that must be posted before beginning work. There is no distinc-

tion between operations and negligent fires in Stewardship Service Contracts. This exposes purchasers to potentially ruinous liability.

Sen. Flake introduced a bi-partisan amendment during the recent Farm Bill debate that was ruled to be budget neutral by the CBO that would direct the Forest Service to correct this problem. In any reauthorization of Stewardship Contracting, we urge you to support this important reform.

An additional challenge for our companies is finding the time to analyze what the Forest Service is actually looking for in a Stewardship contract. Frequently, selection criteria are unclear and almost entirely subjective, and seem to be based on who spends the most time attending meetings. While we don't doubt the value of collaboration, we question the fairness of a bidding process that seems to expect very lean businesses to operate more like non-profit social services agencies. The Forest Service should develop more explicit, easy to understand selection criteria, and should follow through on Congressional direction to conduct adequate debriefing with unsuccessful bidders. Further, for the Forest Service, we are concerned that management staff are being pressured to take successful timber sales and repackage them as Stewardship contracts. While the needed management gets done and the wood winds up at a mill either way, there are pitfalls to this approach. By driving agency staff to develop new partnerships, we're concerned that they can sometimes become estranged from their industry partners. We've seen successful timber forests offer up sales that go no-bid for the first time in decades after normal timber sales were converted to Stewardship sales.

Again, we hope Congress directs the agency to maintain a vital timber sale program, which can be very effective at managing a variety of forest types, including those found on the Chequamegon-Nicolet, for a variety of benefits.

RESPONSES OF BILL IMBERGAMO TO QUESTIONS FROM SENATOR MURKOWSKI

Question 1. There has been a lot of positive talk about collaboration as a process or means for building trust and accomplishing mutual goals, such as, increasing forest restoration and timber harvest on federal lands. What has been your membership's experience with collaboration?

Answer. Our members have had a variety of experiences with collaboration, ranging from the extremely positive to extremely negative. Our members in Alaska, for instance, engaged in good faith collaborative negotiations for over 5 years, attempting to find a solution that produced the type of timber the local industry needs while meeting the objectives of local and national environmental groups. At the end of the day, both participating and side-line sitting environmental groups conducted end runs around the process that have destroyed the good faith needed to make the collaborative successful.

In other cases, FFRC members are involved in collaborative efforts that are far ahead of the National Forest System. The Northeast Washington Forestry Coalition in Washington State, for instance, has the support of a wide variety of environmental and industry stakeholders and publicly supports harvesting 80 Million Board Feet of timber annually. Thus far, the Forest Service has failed to propose harvesting even half this amount. Long-running collaboratives in Arizona have experienced similar failures.

As noted in our response to Senator Wyden, however, we note that whether collaboratives are successful or not, they should not become a default additional mandatory process in the already cumbersome forest management system that governs our National Forest System. Congress should not continue to sit on the sideline while the agency engages in endless gymnastics in the hopes that it will satisfy the courts. Clarity in direction—and bold experimentation, including designation of State forests—is needed.

Question 2. Dr. Johnson testified regarding an approach he calls "ecological forestry" to increase timber harvest levels on O&C lands to get to a "sustained yield" of timber harvest that enables a permanent source of timber supply and contributes to the economic stability of local communities. My understanding is that there have been some pilot projects on O&C lands testing these ideas. What was your Oregon membership's experience with these pilot projects?

Answer. FFRC's Oregon membership has closely followed the Johnson/Franklin "pilot projects" as well as the broader implications of applying their management approach to the BLM O&C lands in western Oregon. In the drier forests of southwest Oregon, these small scale pilot projects have removed less timber volume per acre and resulted in reduced levels of receipts for local governments when compared with management as intended under the Northwest Forest Plan. The Johnson/Franklin pilot projects in wetter forests are promoting variable retention regeneration harvests, but they have been no less controversial—as witnessed by the admin-

istrative appeals and protests by environmental groups. In fact, the White Castle timber sale on the BLM's Roseburg District is currently occupied by numerous tree sitters. The Johnson/Franklin management approach, including changes to reforestation practices following harvests in wetter forests, raises many policy and legal concerns—particularly as it relates to compliance with the O&C Act.

Applying the Johnson/Franklin approaches more broadly to the BLM O&C lands would result in serious economic, fiscal, and environmental impacts. A Task Force convened by Oregon Governor John Kitzhaber modeled a number of alternatives for managing the O&C lands, including an ecological forestry approach similar to that proposed by Johnson/Franklin. The modeling showed that it would only generate a 200 million board feet (mmbf) timber harvest and $27M in receipts for the O&C counties. These lands grow over 1,200 mmbf of timber each year. The Task Force modeling also showed that the Medford and Roseburg districts in southwest Oregon would be hit particularly hard under "ecological forestry" as harvest volumes would fall to anemic levels in these more fire prone forests—the exact opposite of what we should be doing to reduce the risk of catastrophic fires and insect infestations. It is clear that the Johnson/Franklin ecological forestry practices are unlikely to produce adequate, geographically distributed timber harvests across western Oregon or adequate revenues to meet the needs of local counties.

While FFRC does not question Dr. Johnson's qualifications as a silviculturist and researcher, we do question what lessons Congress can learn from his testimony. While he no doubt has a fine grasp of the ecology of Douglas Fir forests in the Pacific Northwest, we note that the entire National Forest System spans the subtropics of Florida to the Temperate Rainforests of Alaska. Ecological conditions vary greatly, even within each National Forest. What passes for ecological forestry in Oregon may make no sense—in fact quite likely makes no sense—in the mixed oak-pine forests of Arkansas or the Birch-Beech-Maple forests of New Hampshire.

Congress should no more attempt to adopt the management recommendations of Dr. Johnson than they should adopt the latest research of management of the Allegheny Plateau. We have over 24,000 Forest Service employees and researchers who develop detailed management plans for each National Forest. Rather than identifying one approach that may be appealing in one region (and only to certain groups), we should enable the Forest Service to carry out the management plans they spend so much time and money developing.

RESPONSE OF AARON MILES TO QUESTION FROM SENATOR WYDEN

Question 1. I believe we should highlight the successes of collaboration and incentivize collaborative efforts to get restoration work accomplished. Assuming some minimum standards for defining a collaborative group were established, would it make sense to afford restoration projects endorsed by a collaborative group a lighter paperwork burden, less administrative review, and/or more protection from stalling litigation?

What minimum criteria for the local collaborative should the Forest Service or BLM use to trigger a lighter administrative burden for NEPA?

How specifically should the implementation of NEPA be different for projects endorsed by a collaborative group?

Answer. Collaboration has become an essential modelto resolving long standing issues among diverse interests of rural Americans dependent upon the federal land base for their livelihoods. The Clearwater Basin Collaborative (CBC), led by US Senator Mike Crapo and supported by Senator Jim Risch and Congressman Raul Labrador,is an excellent example of collaboration that showcases major accomplishments when like-minded individuals from diverse interests are willing to work towards a common goal. The personal commitment by each stakeholder at our monthly meetings and subcommittee meetings,have resulted in our Agreement &Work Plan, intended to capture our commitment in resolving differences in land ethic and use of the Nez Perce-Clearwater National Forest.

First and foremost, I would like to state that anadromous.and resident fisheries recovery is paramount to our success in the basin. The US Forest Service (USFS), Bonneville Power Administration,and Nez Perce Tribe (Tribe) have spent millions of dollars on culvert replacement,and road decommissioning to improve water quality for fisheries under the PACFISH/INFISH Biological Opinion Effectiveness Monitoring Program (PIBO). As a collaborative we believe our efforts must be built around and supportive of the Tribe and USFS on the ground efforts to restore the fisheries acceptable to harvestable levels. The fish restoration goals are the first overlay on our political map as we plan for the future.

In accordance with water quality standards and guidelines provided through PIBO,and applicable federal laws that protect water quality,the CBC is working towards restoration efforts for forest communities which represent a desired future condition conducive to a healthier,more resilient, longstanding,native forest community that has the propensity to change severe fire regimes into a moderate to low complexity one to withstand wildland fire as well as insects and disease.

FOREST RESTORATION

One of our recommendations to the Nez Perce/Clearwater National Forest (Forest) is to restore Whitepine back into the ecosystem through a project called the Selway-Middle Fork Collaborative Forest Landscape Restoration Project (CFLRP). The CBC was awarded $10M for the project under the Collaborative Forest Landscape Restoration Act. As a pre-cursor to the planning for this project, we recommended that roads not in use, adjacent to streams be decommissioned and old culverts be replaced with adequate ones to provide fish passage prior to any timber removal. The Tribe's Department of Fisheries Resource Management assisted the Forest in performing these contractual obligations.

In order for this project to be successful, Grand-fir is proposed to be removed to allow for the restoration of Whitepine. This is a major undertaking by the Forest because it is a large scale approach to forest restoration using different forest practices to remove hazardous fuels such as commercial and pre-commercial thinning,and other vegetative treatments. It is our hope to encourage these types of larger, more complex projects in the future. Currently, the project is undergoing the National Environmental Policy Act (NEPA) review.

CAREFUL CONSIDERATION OF THE BASIN NEEDS

As a collaborative group, the CBC has carefully determined where forest restoration is feasible. The CBC has held many discussions about the arrangement of federal land use designations on the Forest and we have broad understanding where active timber management can occur. There are areas we want protected under the Wilderness Act, areas for Tribal cultural practice sites,and tributaries that need protection under Wild & Scenic. After identifying the geographic areas where special land designations should occur, we have deduced the remaining areas for active timber management called the "Roaded Front" which is envisioned for the restoration and sustainability and long-term viability of early seral forest timber types.

As a secondary benefit from forest restoration activities,these active timber management areas provide the timber industry and rural communities some certainty that woody biomass can be harvested therefore generating commodities and alternative energy while sustaining forest industry jobs. It is also important to underscore the importance of all natural resources to the timber industry and rural communities. Rural communities are also interdependent upon anadromous fisheries, elk and other ungulate species,berries and other resources for their subsistence as well as the Nez Perce people. Members of the CBC do not wish for any resource to become limited or extirpated, and take great pride in the sustainability of these forest resources by harvesting what they need for consumption.

At this juncture in our collaboration, I believe it is imperative that the Forest Service be allowed to move more quickly on our CFLRP Project for forest restoration without any impediment. Much consideration through the design of the project has been given to listed species (aquatic & terrestrial) under the Endangered Species Act. The projects have been reviewed by their respective biologists from a scientific point of view to protect resources and to sustain them. The CBC has also done a much more in-depth preliminary review for the agency to ensure that overall risk and cumulative impacts are greatly minimized. Our collaboration serves as a model for screening environmental concerns before the Selway-Middle Fork CFLRP project became reality. There are several environmental groups on the CBC, and if they are not satisfied with the intended outcome of a project. The nature of our consensus based collaboration essentially kills a project with a "thumbs down" or one member's disapproval of a project. It takes a tremendous amount of time and energy to reach consensus and recommend a project to the USFS. Let me state, that there are no projects without risk, but local knowledge from experienced and knowledgeable individuals on the CBC understand these landscapes well. This assures that these projects will not put listed species at greater risk.

It is our intent that these forest projects take on a "restoration" theme. With this stated,I believe an abbreviated NEPA review such as an Environmental Assessment rather than full-blown Environmental Impact Statement be afforded to streamline our CFLRP project. We would also request that any other forest land management tools intended to restore healthy forests be given the same consideration. These

would include other collaboration sponsored projects intended to restore healthy residual forests while reducing the threat of fire and insects and disease. A collaborative process should afford the USFS less paperwork and smoother administrative process similar to the other restoration efforts for road obliteration and culvert replacement where NEPA is streamlined.

Lastly,our collaboration was intentionally designed to bring all the necessary stakeholders to the table as well as the polarizing differences among us. Without the heartfelt discussions among the cultural iconic interests that comprise our collaborative, I believe it would be extremely difficult for a federal agency to respond and implement a large scale project that we proposed to the USFS. A lesser collaboration that only brought a select few of aligned interests does not suffice for broad representative support. Collaboration has to go through a crucible that reflects these divergent interests yet "socially acceptable land management practices" to move forward. It takes a lot of time and effort to develop the working relationships in order to be successful.

[Responses to the following questions were not received at the time the hearing went to press:]

QUESTIONS FOR NORMAN K. JOHNSON FROM SENATOR WYDEN

Question 1. I appreciate the thought and work that you have put into determining how the BLM's O&C lands should be managed and how more harvest can be achieved consistent with environmental values. Assuming portions of the O&C lands were set aside for conservation purposes and the other portions were to be managed using your prescriptions for ecological forestry, how much acreage do you think the BLM should treat within a 10-year period? Do you think legislation should mandate such treatment levels to ensure the portion of O&C lands set aside for production under your prescriptions eventually gets treated?

Question 2. I believe we should highlight the successes of collaboration and incentivize collaborative efforts to get restoration work accomplished. Assuming some minimum standards for defining a collaborative group were established, would it make sense to afford restoration projects endorsed by a collaborative group a lighter paperwork burden, less administrative review, and/or more protection from stalling litigation?

What minimum criteria for the local collaborative should the Forest Service or BLM use to trigger a lighter administrative burden for NEPA?

How specifically should the implementation of NEPA be different for projects endorsed by a collaborative group?

APPENDIX II

Additional Material Submitted for the Record

CORRECTION "FOR THE RECORD" OF THE PREPARED STATEMENT OF THOMAS TIDWELL, CHIEF, FOREST SERVICE, DEPARTMENT OF AGRICULTURE

In the Testimony submitted by the U.S. Forest Service, page 6, 3rd paragraph, second sentence was misunderstood and badly placed. The sentence read, "We have increased our funding of the timber sale program over the last 17 years from a low of $180 million in 1995 to $335 million in 2012."

Instead, preceding that paragraph, the following paragraph would clarify:

> We have maintained our funding of the timber sale program over the last 17 years from $335 million in 1995 to $368 million in 2012. Although this represents a slight increase in funding, when adjusted for inflation it is actually a decrease of $137 million. There have been dramatic shifts in the funding sources: appropriations increased from $180 million to $335 million, salvage sale funds decreased from $155 million to $23 million, and regional K-V for forest products was authorized in the interim and was $10 million in 2012.

OREGON WILD,
Portland, OR.

Hon. RON WYDEN,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

DEAR CHAIRMAN WYDEN,

On behalf of Oregon Wild and our organization's thousands of supporters, please include the following testimony in the public record pertaining to the Committee's June 25, 2013 hearing on "Challenges and opportunities for improving forest management on federal lands."

While the Committee hearing was not focused specifically on western Oregon BLM lands, we believe that many of the themes relate directly to your recently released "O&C Legislative Framework." The following comments should also be considered feedback to this framework and considered as you work to craft legislation for O&C lands.

THE IMPORTANCE OF PUBLIC LANDS FOR PUBLIC VALUES

It is important to begin with a clear understanding of the differing roles of public and private lands. Private forest lands are great for producing logs and economic returns to landowners, but private landowners do not get paid, and therefore have little incentive, to produce clean air and water, wildlife habitat, recreation, scenic views, and carbon storage. Private lands likely produce an oversupply of wood because their prices do not reflect the full cost of production. The timber industry does not pay for the privilege of polluting our air and water, destroying habitat, or diminishing scenic views. Public ownership thus helps correct these market imperfections by ensuring that public lands provide critical ecosystem services that the public needs and that private lands do not adequately provide.

In recognition of the importance of public lands for public values, the first and most important recommendation of the 1970 Public Land Law Commission was "Federal lands should remain under federal control and be managed for the best use

with respect to public needs and desires."[1] And the primary goal for federal land planning is "Use of all public lands in a manner that will result in the maximum net public benefit."[2] This is essentially a restatement of Gifford Pinchot's maxim to manage public forests to provide "the greatest good to the greatest number for the longest time."

Legislative proposals to fund county budgets through quasi-privatization of America's public lands have been offered in the U.S. House of Representatives. These measures would weaken or eliminate safeguards for clean water and wildlife and drastically increase destructive logging, grazing, mining, and drilling. Sacrificing one of the most valuable and enduring assets of the United States—our public lands—is the wrong approach to solving county budget shortfalls, as you recognized when you authored the Secure Rural Schools and Self Determination Act in 2000.

Disposal of public land either to private ownership or to a trust with a goal that maximizes revenue, should not be favored. The Public Land Law Commission also said "Public lands should be classified for transfer from federal ownership when maximum net public benefits would be assured by disposal. . . . Those charged with classifying public domain land for either retention or disposal should undertake considerable study before committance of this land. A systematic analysis and public hearings should be included as a part of this determination."[3]

WESTERN OREGON BLM PUBLIC LANDS VALUES

The 2.6 million acres of Western Oregon forest lands managed by the BLM[4] include rivers and streams that provide clean drinking water[5] to over 1.8 million Oregonians[6], habitat for fish & wildlife that people fish and hunt, habitat necessary to recover imperiled fish and wildlife, recreation opportunities, scenic values, and quality of life that help drive Oregon's economy.

These lands are also a key element of the quality of life that Oregonians enjoy—from providing clean drinking water for more than 1.8 million people, to providing recreation and jobs in growing fields. For example, the most recent 2012 report from the Outdoor Industry Association confirms that the outdoor recreation industry directly supports 6.1 million jobs and contributes over $646 billion annually to the U.S. economy. In Oregon alone, outdoor recreation generates $12.8 billion in consumer spending, $4.0 billion in wages and salaries, $955 million in state and local tax revenue, and 141,000 direct Oregon jobs.[7] According to the Bureau of Land Management, in 2010 there were a total of 6,811 jobs on Oregon BLM lands associated with recreation, accounting for a total of $662 million in output. Also, the most recent data from 2011 shows about 5.5 million visits were recorded on Western Oregon BLM associated with recreation.

In addition to the natural amenities that citizens enjoy, these lands are a critical component of the Northwest Forest Plan (NWFP), developed by former President Bill Clinton and adopted in 1994. After decades of overcutting and mounting social controversy, this landmark document finally brought science-based management to the publicly-owned forests of the Pacific Northwest. The NWFP is a 100 year plan designed to protect and restore old-growth forests, wildlife habitat, clean water, and salmon, while allowing compatible timber production. It has been well-documented that Western Oregon BLM lands are integral to the Northwest Forest Plan's success, as well as to the recovery of threatened species[8].

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[1] OSU Cooperative Extension. 1971. The Public Land Law Commission Report and Its Importance to Oregon. Special Report 328. http://ir.library.oregonstate.edu/xmlui/bitstream/handle/1957/4390/SR%20no.%20328__ocr.pdf

[2] OSU Cooperative Extension. 1972. Planning Future Land Use—It's Importance to Oregon. Special Report 349. http://ir.library.oregonstate.edu/xmlui/bitstream/handle/1957/4444/SR%20no.%20349__ocr.pdf

[3] Id.

[4] Of the 2.6 million acres of Western Oregon BLM lands, ~2.1 million are Oregon and California (O&C) lands, ~0.1 million are Coos Bay Wagon Road (CBWR), and ~0.4 million on public domain (PD) lands. There is also ~0.5 million acres of "controverted" O&C lands that lie within the National Forest System on six Oregon national forests. We are equally concerned about the disposition of all of these kinds of federal public forestlands.

[5] Seventy-three percent of the BLM lands in Western Oregon are located in areas identified by the Oregon Department of Environmental Quality as drinking water protection areas. The Nature Conservancy and Wild Salmon Center. 2012. An Atlas of Conservation Values on Bureau of Land Management Holdings in Western Oregon, Oregon Explorer http://oe.oregonexplorer.info/ExternalContent/TNC/.

[6] Oregon DEQ Land Ownership Summary by PWS. Table available upon request.

[7] http://www.outdoorindustry.org/images/ore__reports/OR-oregon-outdoorrecreationeconomy-oia.pdf

[8] USFWS 1992. Final rule designating critical habitat for the northern spotted owl. Fed. Reg. Jan 15, 1992.

Because these forests belong to all Americans and are a part of our nation's rich heritage of public lands, legislation that would alter their management would have enormous implications for public forestlands, wildlife areas, deserts and grasslands, and waters everywhere across the United States.

TIMBER HARVEST LEVELS

We appreciate your dedication to, as you stated in the hearing, not "compromising bedrock environmental values" in your endeavor to increase timber harvest on federal lands. But we'd like to challenge the premise that timber harvest on federal lands has declined dramatically, and therefore we must get it back up.

While it's true that federal harvest levels today are significantly lower than they were prior to 1991, this is for good reason. Prior to 1990, public forestlands were subject to unsustainable logging for decades. Watersheds were being decimated as roads and clear-cuts were built at alarming rates. As a result, salmon, northern spotted owl, and marbled murrelet populations faced precipitous declines. They were listed under the ESA because their habitat was fragmented and destroyed. To recover threatened species and to quell public opposition to old growth clearcutting, timber harvest had to decline. The harvest levels that followed the NWFP were the maximum allowable given legal requirements and the degraded state of the landscape. Since then, when the agencies have followed the Forest Plan's requirements, harvest levels have actually remained quite steady and have been meeting Congressionally-set targets for years.

This is nicely illustrated in the O&C Lands Report prepared for Oregon Governor John Kitzhaber[9], which notes that since 1995 the BLM has:

- Offered 84% of ASQ Volume
- Offered 96% of the Congressionally-funded 'target'
- Sold 96% of the volume Offered
- Sold 80% relative to ASQ and 92% relative to the Congressionally-funded target

This harvest has been done within the science-based framework of the Northwest Forest Plan. While there may be additional volume that could be generated from these lands through scientifically sound conservation-based thinning projects, any possible increase must be carefully balanced against potential harm to clean water, endangered species, and the ability of these public forestlands to help mitigate the pollution that causes climate change.

In addition, it is important to consider that the vast majority of Oregon timber mills have adopted new technology for high efficiency and the ability to process small logs available in abundance from both public and private lands. The few remaining mills that have refused to adapt their business model to use smaller logs do not deserve continued public subsidies in the form of large logs from our public forests. While logging and wood products will always be a part of Oregon's economy, this sector is not a growth industry. Manufacturing's share of total employment has steadily declined for more than 2 decades (as of 2007)[10], and a very small fraction of Oregon's employment depends on logging federal lands[11].

"MODERNIZATION" OF FEDERAL LAWS

In your legislative framework you stated that "The legislation will modernize existing federal laws as they apply to O&C lands so that harvest can continue at a steady, sustainable, and uninterrupted rate once an initial review of all lands set aside for management is completed and as long as subsequent timber sales comply with the legislation." While it remains unclear what this might entail, additional comments in the recent hearing by both you and Ranking member Murkowski suggested streamlining bedrock federal laws that embody public participation, such as the National Environmental Policy Act (NEPA).

"Modernizing federal laws" could put our nation's clean water, wildlife habitat, and local communities at risk. The public relies on the Clean Water Act, the Endangered Species Act, and NEPA to safeguard our natural heritage for ourselves and our children. The idea that we may "modernize" federal laws suggests sufficiency language, which would deny the public the right to review forest management. The only law that arguably needs modernizing is the O&C Act of 1937 which over-emphasizes timber production and unavoidably diminishes too many other important public benefits flowing from these lands.

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[9] "O&C Lands Report: Prepared for Governor John Kitzhaber" Feb. 6, 2013, page 29

[10] http://www.oregon4biz.com/assets/docs/PrivEmp.pdf

[11] http://www.qualityinfo.org/olmisj/CES?areacode=41010000001&action=summary&submit=Continue

NEPA

Much of the hearing focused on the National Environmental Policy Act (NEPA)—which has been described as America's "look before you leap" environmental safeguard.

Simply put, NEPA requires federal decision-making to be rational, informed, participatory, and accountable. Any effort to amend NEPA will short-change one or more of these core values. NEPA guarantees that federal agencies will carefully consider the environmental consequences of a major government action, and that Americans who are affected by such an action will get accurate information about its impacts, a choice among sound stewardship alternatives, and the right to have their voice heard before the government makes a final decision. NEPA ensures balance, common sense and openness in federal decision-making, and it is an effective means of ensuring accountability by federal managers.

At the heart of NEPA is its requirement that alternatives must be considered—including alternatives that will minimize possible damage to our health, environment, quality of life, or to protect human life. Comparing the relative merits of several alternatives is a core requirement of rational decision-making. Absent this requirement, the decision-maker might propose a "good" alternative, but might miss the opportunity to consider a "great" alternative suggested by the public, a cooperating agency, or a scientific reviewer.

By making sure that the public is informed and that alternatives are considered, NEPA has helped the agencies reject harmful alternatives and made countless projects better. Cutting corners on NEPA review can have serious adverse consequences, especially when it comes to spending taxpayer money on projects that might harm citizens or the environment that sustains us. The value of our common air and water cannot be under-estimated. The value of "ecosystem services" is in the trillions of dollars. We must not diminish these services without fully and consciously considering the consequences through NEPA review.

Done well, NEPA can save time and money in the long run by reducing controversy, building consensus, and ensuring that a project is done right the first time. Limiting public involvement and weakening environmental review won't avoid controversy or improve projects. In fact, it will breed public distrust and discontent and slow the process of finding common ground.

NEPA requires federal agencies to use the accurate scientific analysis and respond to opposing viewpoints. This ensures that federal managers use modern standards and ensures that they don't put blinders on and ignore relevant information that has a bearing on the decision. NEPA requires consideration of cumulative effects, which simply means that federal managers should make decisions within the context of what happened before and what might happen later, and that the left hand should know what the right hand is doing.

An example of how well NEPA can work might help. Several years ago, the Umpqua National Forest's Diamond Lake Ranger District proposed to log thousands of acres of mature and old-growth forest (some even in inventoried roadless areas) around Lemolo Reservoir in the High Cascades. In the course of all stages of NEPA participation (scoping, public meetings and site tours, Draft EIS, Supplemental Draft EIS, Final EIS, ROD) the public was able to convince the Forest Service to modify the project so that it could eventually move forward with a modified design. The project was administratively appealed, but appellants agreed to withdraw the appeal in exchange for some changes to the design of temporary roads to be constructed and assurances about protecting some large trees. If not for NEPA, this project would certainly have ended up in a contentious lawsuit, but NEPA provided a framework for data collection, disclosure, and common understanding essential to a peaceful resolution.

Another example relates to the government's keen interest in wildland/urban fuel reduction. NEPA ensures that the trade-offs between fuel reduction and wildlife habitat and water quality are fully disclosed and carefully considered. NEPA also helps ensure that fuel reduction efforts are effective in terms of reducing fire hazards. It is well known that thinning forests can reduce fire hazard by reducing surface fuels and ladder fuels, but it is much less well known that thinning can also make fire hazard worse by moving fuels form the canopy to the ground where they are relatively more available for combustion during a fire, and by increasing sunlight at ground level which reduces fuel moisture and stimulates the growth of future ladder fuels. When properly used, NEPA helps the decision-maker design fuel reduction efforts to optimize the competing values (e.g. reducing fire hazard vs. increasing fire hazard, degrading water quality, degrading wildlife habitat, compacting soil, etc.)

In short, NEPA is an important law that should not be undermined. However, there may be some ways that it can be functionally improved to address alleged

NEPA "gridlock". Alleged NEPA "gridlock" is primarily the result of two things: (1) well-founded public opposition to controversial projects in sensitive areas such as old growth, roadless areas, drinking watersheds, and important habitat areas, and (2) the agencies' own bureaucratic inefficiency.

The most effective way address the first cause is to encourage the agencies to focus on restoration projects that have broad public support, not to expand controversial logging of mature forests or clearcutting. Sound decisions that restore forests and watersheds and comply with federal laws and policies will be approved quickly without controversy, while poor decisions that degrade wildlife habitat, log mature and old-growth forests, or damage watersheds, have legitimate reasons to be stopped and the agency responsible for the decision held accountable to environmental laws and the best available science.

To address the second cause, a number of steps can be, and are being taken. The Forest Service and BLM representatives at the hearing mentioned a few: Planning larger scale projects under one NEPA analysis, and transitioning to the new objection process for example. In an issue paper signed by forty coalition partners, the Rural Voices for Conservation Coalition[12] identified the need for maintaining federal environmental laws like NEPA, but recommended some efficiencies:

> To encourage the restoration of forest health and ecological resiliency, an increase in NEPA efficiencies should be considered. Several factors play into the perceived inefficiency in following the requirements of this law. RVCC participants have identified some of these and recommended some changes in the context of the Blue Mountains Forest Partners collaborative group that could be applied elsewhere. Common barriers to an efficient NEPA process include: high agency turnover; lack of coordinated agency response to new information; lack of boilerplate information; inefficiencies in the ESA consultation process; lack of funding and staff; and poor communication and coordination between Forest Service interdisciplinary teams.
>
> We recommend that any new federal forest management legislation include solutions to these barriers. Such solutions include: entrance and exit memos for agency staff; timely replacement of agency staff that are transferred, retired, etc.; prompt legal and policy evaluations for circulation to agency staff; creation of a boilerplate library; programmatic NEPA analysis; and the utilization of a trained local workforce to assist the agencies in gathering the information and data necessary for these analyses.

CONSERVATION AREAS AND PROTECTIONS

Senator Wyden's legislative framework suggests the creation of "wilderness and other permanent land use designations whose primary management focus will be to maintain and enhance conservation attributes" in rough equivalent to the lands designated for logging.

As recent analysis by The Nature Conservancy and others have shown, in order to adequately safeguard clean water, old-growth forests (current and future), and treasured recreation areas, far more than half of the O&C landscape needs to be protected or restored.[13]

We'd like to reiterate our whole-hearted support for protecting more Wilderness in Oregon. As such, we encourage you to continue to move forward with the Wilderness proposals already moving through Congress, like Devil's Staircase and the Wild Rogue, without tying them to forest management legislation. These proposals enjoy strong support and should move forward on their own merits.

We are concerned about the framework document's reliance on designations other than Wilderness for safeguarding special places. For pristine public lands, Wilderness is the strongest and most effective tool for safeguarding conservation values. It has been our experience that alternative designations, such as National Recreation Areas, fall short. For instance, forests within the Oregon Cascades Recreation Area, adjacent to Crater Lake National Park, is currently targeted for logging by the Umpqua National Forest in the D-bug Timber Sale.

We do recognize that Wilderness is not the appropriate tool to protect all important conservation values. It is important to note that Wilderness cannot be a replacement for the restoration goals of the NWFP, as there are simply too few pris-

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[12] Rural Voices for Conservation Coaltion (RVCC) Issue Paper, May 2013. "A Community-based Approach to Federal Forest Management: RVCC's Vision and Essential Goals." http://www.susnw.org/uploads/resources/2013_Community_Forest_Mgmt_Issue_Paper_final.pdf

[13] See The Nature Conservancy and Wild Salmon Center. 2012. An Atlas of Conservation Values on Bureau of Land Management Holdings in Western Oregon, Oregon Explorer http://oe.oregonexplorer.info/ExternalContent/TNC/.

tine areas left on our public lands to ensure functional terrestrial and aquatic ecosystems.

For achieving broad conservation and economic objectives in a scientifically-sound fashion, it is very hard to improve upon the Northwest Forest Plan. Senator Wyden's framework aspires to generate legislation to "safeguard clean water and treasured resources and focus on long term conservation of habitat, but will also include areas emphasizing recreation and areas that would allow for restoration based thinning in previously managed stands.," This nearly perfectly describes the existing land allocation framework of the NWFP.

FOREST MANAGEMENT PRINCIPLES

Your framework suggests that "a substantial portion of O&C lands will be set aside for sustainable economic activity with ultimate harvest levels governed by rules established in legislation." Your framework goes on to say that "Sustainable harvest will be consistent with the most advanced forest management practices advocated by Northwest experts and demonstrated in pilot projects and collaborative efforts across the state, including the pioneering and successful efforts in the Siuslaw Forest and Medford BLM district."

Several of these points deserve specific discussion:

Fragmenting our natural heritage

Western Oregon forests have already been divided again and again. More than half of the productive capacity of Oregon's forests is controlled by private interests. More than half of the O&C forests have been previously exploited for timber production. Further fragmentation of the O&C lands to emphasize timber harvest could worsen existing environmental problems in Western Oregon, especially if it will require logging ecologically critical areas such as unlogged mature native forests (80-120 years old), critical habitat for threatened species, and areas currently designated as Riparian and Late Successional Reserves. These lands are an essential part of the Northwest Forest Plan, and any changes to the distribution of the reserve system in the Plan must go through extensive analysis to ensure survival and recovery of threatened species, while also providing other social, economic, and ecological values.

BLM lands play an important role in the Northwest Forest Plan system of reserves combining the LSR network, the riparian reserves network, and critical habitat units. Together these serve as a "land bridge" linking wildlife populations that live in the Cascades, Coast Range and Klamath Mountains. Any effort to adjust land use on BLM lands must conserve the functional role of BLM lands as habitat connectivity. Given the degraded condition of the landscape throughout the private/BLM checkerboard, it may not be possible to maintain this important function of BLM lands on just one-quarter of the landscape (e.g., a "roughly equivalent" half of the BLM half of the checkerboard). In addition, new information regarding the need to protect and restore mature and old-growth habitat for threatened species should be considered in addition to the Plan's reserve system. And newly recognized needs for storing carbon and moderating stream flows to mitigate global warming must be considered.

Oregon Wild's critique of the "O&C Trust, Conservation, and Jobs Act" outlined by Reps. DeFazio, Schrader, and Walden lays out some of the key reasons that further division of these lands fails to meet these goals.[14] Rather than focus on a further "splitting of the baby" on the O&C lands, we would encourage you to look to an expansion of the successful restoration-based thinning programs taking place on a number of BLM Districts in Western Oregon, and on the Siuslaw National Forest. Such an approach offers a way to improve environmental health while increasing timber volume, without the need to change the Northwest Forest Plan or environmental laws. And it is the only approach that has demonstrated success in terms of both broad scientific and public support.

A critique of "ecological forestry" and "variable retention harvest" clearcutting

We firmly believe that the best available science must be used to develop and implement plans for forest management. But we disagree that the pilot projects developed by Norm Johnson and Jerry Franklin demonstrate the "most advanced forest management practices." Projects like the Buck Rising and White Castle timber sales on the Roseburg District BLM have not demonstrated much more than the fact that

[14] Oregon Wild 2012. Problems and Pitfalls Associated with the Proposed "O&C Trust, Conservation, and Jobs Act" https://dl.dropboxusercontent.com/u/47741/O%26C__Trust__Act__White__Paper__FINAL__6-5-2012__w__DeFazio__response.pdf

clearcutting on public lands—even with some retention trees—is highly controversial for the public and within the scientific community.

Dr. Norm Johnson's testimony at the June 25 hearing explained his and Dr. Jerry Franklin's recommendations for increasing logging on O&C lands. Their logging principles are currently being demonstrated in a series of "pilot" projects initiated by the Secretary of the Interior on BLM lands. The goals of these pilot projects include 1) providing timber, 2) increasing early seral habitat, 3) and testing new logging principles. The projects in moist forest types utilize a harvest prescription called "variable retention harvest" (VRH). Johnson and Franklin spend a good deal of time trying to distinguish VRH from plain clearcutting.

The Society of American Foresters defines "clearcut" as "1. a stand in which essentially all trees have been removed in one operation—note depending on management objectives, a clearcut may or may not have reserve trees left to attain goals other than regeneration. . ."[15] While the underlying goals of VRH may not be as purely economic as most clearcutting, and while VRH may leave more structure in the stand than a traditional clearcut, the results on the ground are more accurately described as "clearcut with reserves,"[16] with similar ecological and hydrological impacts to clearcutting.

Clearcutting has many negative ecological impacts, not to mention its controversial social nature. This practice has significant negative impacts on wildlife and natural forest components like snags and down wood, and increases invasive weeds, blowdown, fuel loads, fragmentation, and forest edge habitat. It harms soil through compaction, nutrient loss, erosion, and landslides. It depletes forest carbon stores and adds to global warming pollution. And it degrades water quality, scenic views, recreation, and quality of life.

Furthermore, there are significant questions about the claim that VRH is needed to improve or increase early seral habitat. The alleged improvement of VRH over traditional clearcutting is only relative to industrial forestry (which is not allowed on public lands). Variable retention clearcutting is not an ecological improvement relative to natural processes. The scientific basis for ecological forestry can be improved with answers to some basic questions, including:

- Is there really an ecologically significant shortage of early seral habitat?
- Which species are at risk? Do early seral species tend to be mobile, generalist, and opportunist? Are there exceptions?
- Does the sheer abundance of low-quality early seral habitat on non-federal lands partially compensate for the shortage of high-quality early seral?
- Are natural processes like fire, wind, and insects creating enough high-quality early seral on public lands? Will global warming help those trends?
- Are there ways of enhancing early seral habitat that do not require clearcutting mature forests, such as improving practices on non-federal lands, modifying salvage logging practices, extending early seral conditions in existing young stands, and embedding structure-rich "gaps" when thinning dense young stands?

Without addressing these many concerns, we believe the expansion of VRH across the BLM landscape, as recommended by Johnson and Franklin, would have many negative impacts. It would be a significant departure from the Northwest Forest Plan's emphasis on the need to protect and restore old forests and the recent success enjoyed by the agencies from focusing on thinning dense young stands that were previously clearcut. And most importantly, there are better ways to manage our public forests. There is no compelling reason to shift from successful and much needed thinning to destructive and controversial clearcutting—with or without reserve trees.

Collaboration and restoration

We do not believe that the clearcutting principles and techniques being advanced by Drs. Johnson and Franklin should be given the same weight in any O&C legislation as the successful collaborative and restoration-based thinning work being done without controversy on the Siuslaw National Forest. The Siuslaw National Forest has been successfully producing timber as a by-product of restoration for more than a decade. They are not practicing clearcutting as envisioned by Johnson and Franklin, but continue to innovate in the way they thin young forests for diversity and wildlife habitat. The Siuslaw routinely exceeds the timber volume targets set for it through Congressional funding, and has largely avoided the conflict and controversy

[15] http://dictionaryofforestry.org/dict/term/clearcut.

[16] See http://dictionaryofforestry.org/dict/term/regeneration_method and http://dictionaryofforestry.org/dict/term/variable_retention_harvest_system

that has plagued other federal public lands logging, such as the Medford and Roseburg BLM distrcts.

We agree with many of the comments made at the hearing regarding the benefits of collaboration around forest management. In our experience, collaborations between forest management agencies and diverse interest groups and individuals can lead to agreement and common ground unheard of a decade ago. When common ground around ecological restoration is used as a starting point, forest management activities can proceed with little to no controversy as trust is built among parties—setting the stage for future on-the-ground work. This vision was advanced in your "Oregon Eastside Forest Restoration, Old-growth Protection, and Jobs Act," and we've seen progress throughout Oregon in this vein. In fact, in a draft report by Oregon Solutions for the State of Oregon's Federal Forestlands Advisory Committee, they found a strong suggestion in both data and in anecdotal comments that the increase in collaborative groups have significantly reduced challenges to land management actions.[17]

We support the use of collaboration to find common ground around forest management activities, not as a substitute for NEPA, but as a complimentary process that can help make permanent shifts in agency focus toward ecological restoration. Unfortunately, we do not believe this common ground can be achieved when not restoration, but rather increased harvest for the sake of county funding, is the goal of forest management.

ADDITIONAL RESOURCES

Finally, we direct you to four important white papers developed by our staff that are pertinent to this discussion.

- Problems and Pitfalls Associated with the Proposed "O&C Trust, Conservation, and Jobs Act." Oregon Wild. 2012. https://dl.dropboxusercontent.com/u/47741/O%26C—Trust—Act—White—Paper—FINAL—6-5-2012—w—DeFazio—response.pdf
- "The Case for Protecting both Old Growth and Mature Forests." Doug Heiken. 2009. https://dl.dropboxusercontent.com/u/47741/Mature%20Forests%2C%20Heiken%2C%20 v%201.8.pdf
- "Log it to save it? The search for an ecological rationale for fuel reduction logging in Spotted Owl habitat." Doug Heiken. 2010. https://dl.dropboxusercontent.com/u/47741/Heiken—Log—it—to—Save—it—v.1.0.pdf
- "Riparian Reserves Provide Both Aquatic & Terrestrial Benefits: A Critical Review of Reeves, Pickard, and Johnson (2013)." Doug Heiken. 2013. https://dl.dropboxusercontent.com/u/47741/Heiken%202013.%20Review%20of%20Reeves%20et%20al%20Riparian%20Proposal.pdf

In the months ahead, we look forward to working with your staff to discuss the development of legislation for western Oregon. As you move forward, we urge you to consider solutions that do not sacrifice clean drinking water, critical wildlife habitat, or bedrock environmental laws and values.

Respectfully submitted,

SEAN STEVENS,
Executive Director.

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[17] Oregon Solutions. "Oregon Forest Collaboratives: Statewide Inventory," Working Draft, February 2013. http://orsolutions.org/beta/wp-content/uploads/2011/08/OFCSI__Draft__February__20131.pdf