

1010

Y4
.Ag 8/1
96-CCCC

96y4
Ag 8/1
96-CCCC

1980 RPA PROGRAM AND POLICY STATEMENT

GOVERNMENT
Storage

HEARING BEFORE THE SUBCOMMITTEE ON FORESTS OF THE

COMMITTEE ON AGRICULTURE HOUSE OF REPRESENTATIVES NINETY-SIXTH CONGRESS

SECOND SESSION

NOVEMBER 20, 1980

Serial No. 96-CCCC

KSU LIBRARIES



9622EE 006TTA
111900 332316

DOCUMENTS

MAR 12 1981

FARRELL LIBRARY
KANSAS STATE UNIVERSITY



Printed for the use of the Committee on Agriculture

U.S. GOVERNMENT PRINTING OFFICE
WASHINGTON : 1980

AY
180A.
0000-00

COMMITTEE ON AGRICULTURE

THOMAS S. FOLEY, Washington, *Chairman*

E DE LA GARZA, Texas
Vice Chairman

WALTER B. JONES, North Carolina
ED JONES, Tennessee
DAWSON MATHIS, Georgia
GEORGE E. BROWN, Jr., California
DAVID R. BOWEN, Mississippi
CHARLES ROSE, North Carolina
FREDERICK W. RICHMOND, New York
RICHARD NOLAN, Minnesota
JIM WEAVER, Oregon
ALVIN BALDUS, Wisconsin
TOM HARKIN, Iowa
BERKLEY BEDELL, Iowa
GLENN ENGLISH, Oklahoma
FLOYD J. FITHIAN, Indiana
LEON E. PANETTA, California
IKE SKELTON, Missouri
JERRY HUCKABY, Louisiana
DAN GLICKMAN, Kansas
DANIEL K. AKAKA, Hawaii
CHARLES WHITLEY, North Carolina
TONY COELHO, California
TOM DASCHLE, South Dakota
KENT HANCE, Texas
BERYL ANTHONY, Jr., Arkansas
CHARLES W. STENHOLM, Texas

WILLIAM C. WAMPLER, Virginia
Ranking Minority Member
KEITH G. SEBELIUS, Kansas
PAUL FINDLEY, Illinois
STEVEN D. SYMMS, Idaho¹
JAMES P. JOHNSON, Colorado
EDWARD R. MADIGAN, Illinois
MARGARET M. HECKLER, Massachusetts
JAMES M. JEFFORDS, Vermont
RICHARD KELLY, Florida
CHARLES E. GRASSLEY, Iowa
TOM HAGEDORN, Minnesota
E. THOMAS COLEMAN, Missouri
RON MARLENEE, Montana
LARRY J. HOPKINS, Kentucky
WILLIAM M. THOMAS, California
GEORGE HANSEN, Idaho²

PROFESSIONAL STAFF

FOWLER C. WEST, *Staff Director*
ROBERT M. BOR, *Chief Counsel*
JOHN E. HOGAN, *Counsel*
JOHN R. KRAMER, *Special Counsel*

SUBCOMMITTEE ON FORESTS

JIM WEAVER, Oregon, *Chairman*

BERYL ANTHONY, Jr., Arkansas
JERRY HUCKABY, Louisiana
TONY COELHO, California
RICHARD NOLAN, Minnesota

JAMES P. JOHNSON, Colorado
STEVEN D. SYMMS, Idaho¹
GEORGE HANSEN, Idaho²

MARGARET THOMSON, *Subcommittee Staff Consultant*

¹ Resigned October 1, 1980.

² Elected October 1, 1980.

CONTENTS

	Page
Weaver, Hon. Jim, a Representative in Congress from the State of Oregon	1

WITNESSES

Argow, Keith A., executive director, Trout Unlimited.....	39
Prepared statement	117
Barlow, Tom, Natural Resources Defense Council, Inc	44
Prepared statement	145
Bergoffen, Gene S., assistant vice president, resource programs, National Forest Products Association.....	47
Prepared statement	152
Crandall, Derrick A., vice president, public affairs, International Snowmobile Industry Association.....	42
Prepared statement	125
Goldie, Dan, Western Forest Industries Association.....	51
Kirby, Peter, the Wilderness Society	21
Prepared statement	72
Knudson, Dr. Ruthann, legislative coordinator, Society for American Archaeology.....	19
Prepared statement	67
O'Toole, Randal, Cascade Holistic Economic Consultants, Eugene, Oreg.....	24
Peterson, R. Max, Chief, Forest Service, U.S. Department of Agriculture, remarks.....	4
Prepared statement	59
Prendergast, Joseph T., president, American Ski Federation.....	41
Prepared statement	120
Rasmussen, Boyd, National Association of State Foresters.....	33
Prepared statement	103
Resler, Rexford A., American Forestry Association.....	32
Prepared statement	98
Sampson, Neil, executive vice president, National Association of Conservation Districts.....	35
Prepared statement	111
Stahl, David E., executive vice president, National Association of Homebuilders.....	29
Prepared statement	85
Williams, Jim, Deputy Secretary, U.S. Department of Agriculture	13
Prepared statement	56
Williamson, Lonnie, Wildlife Management Institute, Washington D.C.	37

ADDITIONAL MATERIAL SUBMITTED TO THE SUBCOMMITTEE

Material submitted by the Forest Service.....	162
Material submitted by the U.S. Department of Agriculture.....	172
Berryman, Jack H., International Association of Fish and Wildlife Agencies, statement.....	212
Boothby, Charles, National Association of Conservation Districts, responses to questions submitted by Hon. Jim Weaver.....	189
Crandall, Derrick A., International Snowmobile Industry Association, letter of November 26, 1980, to James Rouse, Superintendent, Crater Lake National Park, Crater Lake, Oreg.....	129
Cutler, Dr. M. Rupert, National Audubon Society, statement.....	210

IV

	Page
Denison, Betty L., Oregon Women for Timber, statement.....	221
Ewing, Arnold, North West Timber Association, Eugene, Oreg., letter of December 4, 1980, to Hon. Jim Weaver.....	232
Forest Farmers Association, Atlanta, Ga., statement.....	206
Heady, Harold F., Society for Range Management, letter of November 25, 1980, to Hon. James Weaver.....	228
Kearney, Kevin, American Motorcyclist Association, Westerville, Ohio, letter of December 5, 1980, to Hon. Jim Weaver.....	234
Kimball, Thomas L., National Wildlife Federation, statement.....	215
Lewis, Bronson J., American Plywood Association, statement.....	190
National Association of Counties, statement.....	208
Robyn, Richard A., Western States Legislative Forestry Task Force, resolution.	230
Shands, William E., the Conservation Foundation, letter of December 1, 1980, to Hon. Jim Weaver.....	191
Society of American Foresters, statement.....	222
Swatek, Paul, conservation administrator, Sierra Club, statement.....	78

1980 RPA PROGRAM AND POLICY STATEMENT

THURSDAY, NOVEMBER 20, 1980

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON FORESTS OF THE
COMMITTEE ON AGRICULTURE,
Washington, D.C.

The subcommittee met, pursuant to notice, at 10 a.m., in room 1302, Longworth House Office Building, Hon. Jim Weaver (chairman of the subcommittee) presiding.

Present: Representatives Anthony, Johnson, and Hansen.

Staff present: J. Robert Franks, associate counsel; Christine D. Abram, clerk; Nick Ashmore, Rita DiSimone, and Margaret Thomson.

OPENING REMARKS OF HON. JIM WEAVER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OREGON

Mr. WEAVER. The Forests Subcommittee will be in session.

Today the Forests Subcommittee is hearing testimony on the 1980 report to Congress on the Nation's renewable resources. I am pleased to welcome many distinguished witnesses today including Deputy Secretary of Agriculture Williams; Chief of the Forest Service, Max Peterson; and the persuaders. The persuaders, for those of you who have not read the American Forests article by that title, are the interest groups which testify most frequently on forestry issues.

I am pleased so many persuaders have decided that the RPA report to Congress is worthy of their consideration. I am also pleased that so many groups which are new to the subcommittee have given this effort by the administration their attention as well.

I can assure you that RPA is a priority for the Forests Subcommittee and for the Agriculture Committee, as Chairman Foley said in his Spokane speech to the Society of American Foresters. RPA is also a priority for this Congress. Both the Senate and soon the House will be on record in support of RPA and RPA goals.

Why did Congress consider disapproving the low bound? First, because it violates the intent of Congress. Second, because the Agriculture Committee has a responsibility to affirm recent successful efforts to increase Forest Service budgets above the administration's budget request. Third, because people like Rupert Cutler tell me it is arbitrary and may safely be ignored as a real output of the RPA planning process.

This resolution should help hold the new administration to their campaign promises of improving recreation, wildlife, and watershed management and to producing a Forest Service program that is bolder, more imaginative, and long range while removing politics

from renewable resource management: statements that President-elect Reagan has made to the Society of American Foresters.

These planning efforts should not compete with the management of the national forest system itself. The Forest Service needs good people in Washington, D.C., but it also needs good people to manage its forests. In the longrun, planning can save resources. Shortrun decisions to use the best foresters to plan can have long-term consequences for the forests, too. A good plan cannot save a reforestation effort that fails because the forester was in the office making the plan.

I realize that the Forest Service has already begun its own internal critique of the 1980 RPA as part of its planning for the 1985 program. These efforts should improve the 1985 RPA in those areas where it is weakest: private forestry, soil and water resources, resource interactions, and nonmarket supply and demand. And the Forest Service will have to face squarely the issues that must be resolved before 1985: pest management, log exports, energy development, and air-quality management.

The Forest Service responds to criticism of RPA by pleading state-of-art methodology. I fully recognize that the Forest Service is leading all other Government agencies in public land management planning. They should receive adequate resources to do the job so that other agencies will not have to do it over again later on. They need the research dollars to finance the necessary breakthroughs in decisionmaking for complex resource systems. But equally important as accomplishing this task is doing so in a manner which is open to public scrutiny. The RPA is not. The process does not frame policy issues such that lay persons or decisionmakers outside the Forest Service and OMB can be directly involved. The interested lay person does not understand linear programing. Teaching public interest groups how to run computer programs is not the answer. Learning to communicate openly and honestly is.

My concern for the openness of the process comes from a study by the Forests Subcommittee staff. The purpose of the study was to compare the RPA recommended program with the citizen's alternative. The citizen's alternative or, as it has been called, alternative 4a, was constructed in response to comments from those who desired the Forest Service to analyze an alternative which would:

Maintain or slightly increase commodity outputs over time through more intensive management on the most productive lands;

Contain the greatest opportunity for wilderness designation and dispersed recreation practicable;

Give greater emphasis to wildlife and other noncommodity outputs;

Expand State and private forestry activities; and

Expand the Forest Service research program.

Alternative 4a emphasizes nonmarket output such as dispersed recreation and wildlife habitat in much the same manner as alternative 4. It also provides for a slight increase in wilderness acreage, although far below the acreage requested by wilderness advocates.

Alternative 4a is comparable to the recommended program in timber and grazing outputs. The citizen's alternative proposes 200 million board feet less than the recommended program, an amount

that the Forest Service considers insignificant when considering other issues such as third-party substitution of logs exported outside the United States. The difference in grazing is also insignificant. But perhaps the most meaningful comparison of alternative 4 and the citizen's program is the present net-worth analysis. Present net worth is widely accepted. It compares the discounted or present value of all benefits and costs. The Forests Subcommittee study compared the present net worths of the draft document with the final document and concluded that the analysis in the 1980 program must be viewed with caution because of differences in the present net worths of the outputs of the resource elements under the same alternatives and discount rates.

Such differences would occur only if there is a fundamental change in the values assigned the resource elements. It is apparent the values for the timber and range elements were increased, while the values for recreation wilderness, wildlife and fish, water and minerals elements were reduced.

Some of these problems with comparability can be explained by the Forest Service. For example, support-element costs were not integrated into the present net worths of the resource elements in the draft document and they were in the final document. Consequently, additional resource value information was requested from the Forest Service. Still, there was an apparent difference in the values assigned the resource elements in the draft document and in the final program.

The values assigned timber and range are higher than those in the draft.

The values assigned the recreation, wildlife and fish, water and minerals are lower than those used in the draft.

The reasons for this change in the values assigned the resources elements between the release of the review of draft document and the final document must be on the public record. If they are not, RPA cannot be an open and honest process.

Congress must be satisfied that this change is valid, that it did not come about to achieve expeditiously some narrow purpose of the Forest Service, the Department of Agriculture, or the Carter administration.

I sincerely hope that today I will receive an adequate explanation of these facts. If there is skepticism about the feasibility of alternative 4a, then there should be equal skepticism about the Forest Service's ability to deliver the recommended program.

When I have had my say, and in view of the open process, I am going to ask that the statements of the distinguished Deputy Secretary, Mr. Williams, be placed in the record by unanimous consent, and that the statement of my dear friend and a person I consider to be a very distinguished Chief of the Forest Service, Max Peterson, be placed in the record. Without objection, so ordered. We will go immediately into questions.

I will, however, like you to make any remarks that you can or wish to relative to my opening statement, and ask you to briefly summarize the statement that you have.

I think we should respond to this vote now. I would assume that, when we return from the vote, there will be other members of the

subcommittee present. I will recess the committee for a few minutes.

[Recess taken.]

Mr. WEAVER. The subcommittee will be in session.

I am going to ask you to hold on your remarks until other subcommittee members arrive. When they do, then I would like you to give us your general remarks. I am going to start with some of my own questions of greater interest to me than to the general subcommittee. These will be more specifically than generally on the RPA.

Recently, Random Lengths reported that the People's Republic of China entered the log market in the Northwest. Specifically, they have reported that the Chinese have bought 16.7 million board feet of unprocessed logs and apparently have been shipped, and are in the market for possibly 200 million more board feet right now.

Would you tell us what you think might be the implications on supply and the effects on our domestic markets?

REMARKS OF R. MAX PETERSON, CHIEF, FOREST SERVICE,
U.S. DEPARTMENT OF AGRICULTURE

Mr. PETERSON. Mr. Chairman, overall the estimates are that total west coast log exports for 1980 will be about 2.7 billion board feet which is a 20-percent decrease from 1979 levels. We think that the shipments to the People's Republic of China are likely to be in the neighborhood of 100 million board feet in 1980.

Mr. WEAVER. 1980. Before the end of this year.

Mr. PETERSON. Yes, about 100 million feet. This is sort of a trial volume of logs from the United States. You might be interested that the expected use of that material is not only for heavy industrial and commercial uses such as bridge timbers and construction beams, where Douglas-fir is a particularly strong and good type of wood but they may use it for specialized uses such as wooden furniture and wooden shoes.

Mr. WEAVER. Shoes?

Mr. PETERSON. Yes, sir.

Mr. WEAVER. Douglas fir?

Mr. PETERSON. Yes, sir. Wooden shoes are used quite extensively in China, as you know.

They are doing extensive road and dam building also and upgrading their railroads, and may be using some wood for that purpose.

So, this is a very early entry of the People's Republic of China into the market. At this point in time whether it will just be offsetting exports that might have gone elsewhere or whether it will increase the total volume of exports, we are not sure. At least what we do know at this point is that exports from the west coast are likely to be about 20 percent under the 1979 levels.

Mr. WEAVER. Is that because of a recession in Japan?

Mr. PETERSON. It is due to a number of things. It is because of some slackening in homebuilding demand in Japan. It is due to the fact that Japan is importing some additional lumber as part of the long-term negotiations that have been going on to get Japan to import more lumber and less logs. It is partially due to the fact that several mills in the United States are now cutting to Japanese

specifications, and therefore the Japanese are buying lumber instead of logs.

Finally, you get more efficient use of the ship in transporting partially manufactured materials. So, that may have some effect over time.

In summary, we do not see the People's Republic of China log imports, at least the preliminary volumes, as being significant, particularly in view of decreased exports to other markets. I cannot tell you what the situation might be like over a long period of time.

Mr. WEAVER. Of course, 1979 with its 3.7 billion board feet of export timber by far a record year. So, what we have really done is drop back to, roughly, the amount of export in 1970, haven't we, with this 2.7 billion board feet?

Mr. PETERSON. Yes. It is closer to the 10-year average.

Mr. WEAVER. 2.7 billion board feet still represents a great amount of timber. I believe the entire production of the national forests of Oregon is about 3.5 billion board feet right now. So, what we exported was, in effect, equal to the amount of the entire timber production of the national forests of Oregon. We have dropped below that, thank goodness, and we are exporting more lumber.

I still want to press the point, Chief. I talked to the agriculture minister of China when I was there a couple of years ago about this very thing: Were they buying timber? And they were not buying much then. If they decided to really enter our markets, could this not have a devastating effect on our own domestic mills? Suppose they start buying on the order that the Japanese buy?

Mr. PETERSON. Well, certainly if that kind of demand were added a lot of things would happen. As you know, wood products are sold internationally by a lot of countries including Canada. So, it would be hard to conceive of the PRC entering the log market to the level of the Japanese. Logs would simply not be available at any kind of reasonable prices; this is certainly true on the west coast. Probably, their demand would partially be met by other countries.

Mr. WEAVER. Suppose they bid up Douglas-fir to \$1,000 a thousand board feet. Who could come into that market then, the Russians? The Russians are already in the market.

Mr. PETERSON. There are reserves in Russia and Canada has a substantial supply.

Mr. WEAVER. They do not export logs, though, do they?

Mr. PETERSON. I think we would find more exports of cants and partially manufactured lumber instead of logs if that kind of price rise actually occurred.

Mr. WEAVER. But you told us in a hearing on the RPA assessment that you expected to see Canadian shipments decrease in the years to come. We get, as you know, a large amount of our lumber from Canada.

Mr. PETERSON. What we told you, I think, at that time is that some recent information in Canada indicates that British Columbia, for example, 30 years or so downstream may have less ability to increase exports to the United States or to the world market.

We met just the week before last with Mr. Reed, the head of the Canadian Forest Service, and have agreed to try to put both the Canadian inventory information and our own into a joint model so

we can better look at the supply in North America. You see, one of the assumptions in the Canadian study on how much they might export is whether some of the material would be economically accessible. Well, a large price rise like what could happen with increased Chinese market activity would completely change that assumption. So, what we are trying to do is to get a model that will more adequately reflect what happens if you change price substantially.

Mr. WEAVER. Are you saying that the Canadians could afford to harvest trees that are right now so difficult to access that the price does not justify it? Is that what you mean?

Mr. PETERSON. Yes, sir. They have large quantities of trees that they show now as economically inaccessible. And that would change if the price changes.

Mr. WEAVER. Nevertheless, if the price were bid up high enough—and I have no idea what the Japanese or Chinese would be willing to pay—one cannot tell, but, given present lumber prices in the United States, domestic mills may not be able to compete to bid for the timber at this level. What would happen to our domestic timber industry?

There are mills closing in my district right now. Their announced reasons are that they cannot afford to pay the stumpage prices. The margins for profit are not there.

Mr. PETERSON. Well, I think, normal economic factors will prevent large gyrations. For example, we know the Chinese economy simply does not have a large amount of cash to lay out for foreign imports of the nature that the Japanese do. The Japanese have a large surplus in their balance of trade right now because of all the things they export to the United States and have a large amount of cash to work on. The Chinese don't have that. And we do not see the potential for increased demand from them.

As you well know, the supply situation of the Pacific Northwest is certainly a difficult one, particularly until the private lands that have been cut over in recent years are again available for harvest. National forest production in the Pacific Northwest has almost doubled during the period 1952 to the present. There has been a similar decrease from farm and other private hands while industry has held about even.

With increased production from national forests to maintain the supply and demand reasonably within balance, there would be room for some export market. But, if it doubled as a result of PRC market activity it would create a very difficult situation in the Pacific Northwest.

Mr. WEAVER. Do we not have studies that show in the Pacific Northwest there is going to be a sharp decline in the harvest from private lands until the restocking comes to maturity, a number of years from now?

Mr. PETERSON. Yes, sir, there will be a decline during the late 1980's and 1990's from private land.

Mr. WEAVER. So, that will further squeeze supply and lead to what you show on your chart to be a wide difference between demand for finished wood products in this country and our ability to supply them. Is that not correct?

Mr. PETERSON. That is true.

Mr. WEAVER. I recognize log exports is a policy question. I am only asking you for any technical information you might be able to furnish. And log exports is certainly not the only problem and issue we have in the timber industry in the Northwest or in the Nation. It certainly is a large one, but there are a number of them.

While I was campaigning this year, I heard another politician make a speech. He said that in the last 20 years since 1960 half the trees in the world had been cut. That struck me. Do you have any information as to whether that was even within a ballpark?

Mr. PETERSON. I do not know the basis for that statistic. If we counted trees of all sizes, it might be; I don't know.

Mr. WEAVER. I imagine a great deal of that was slash and burn harvesting in the tropical areas, if indeed it is true.

Mr. PETERSON. I am not aware of the basis for that statistic. It might be true, but I just do not know.

Mr. WEAVER. It is not unreasonable, in other words?

Mr. PETERSON. If all the small trees that are cut, we may be cutting a large number of trees; but they might not have much total volume. It might be interesting to look at how much actual volume has been cut during that same period.

Mr. WEAVER. Yes.

Chief, I have heard you say before that we could increase the output of timber of the national forests by increasing the utilization under present harvest levels. How much more could we, do you think, increase the fiber output of the national forests if we really got down and did the best job we could on utilization?

Mr. PETERSON. Mr. Chairman, we spent a great deal of time looking at that this last year. The level of utilization is highly related to what you can sell as an end product and what it costs to get it there. The last 20 years have seen substantial increases in utilization on all lands.

I would think that, given the additional research now under way and the market returns to be reasonably good on the demand side, we probably could see a 10-percent or so increase in utilization from national forests in the next 5 years. I certainly think that we can expect that.

The use of wood for energy, if done carefully, would help provide a more favorable economic situation to bring this about. I would hasten to add that use of wood for fuel in an unwise way could actually result in decreased utilization of wood fiber for products.

Mr. WEAVER. I hope subcommittee members come soon because I want to get into the general questioning on the RPA.

One of the issues in the RPA is the high bound and the low bound, and another of the major issues is how much we can invest in our forests and if we do, where's the money coming from. I have read in recent weeks of plans that are emanating from those around the Reagan camp of sharply accelerating the development of oil and gas development on the public lands.

It strikes me that these, of course, are nonrenewable resources. Once you take oil out, at least in our lifetimes or a long time from then, we are not going to have those renewed.

Why would it not be a good idea, why would it not make commonsense to take some of the revenues from the oil and gas leasing, a nonrenewable resource, and invest them in the renewable

resources of our national forests and our public lands? I wonder, Mr. Secretary, if you or the Chief would care to comment on that idea. Is that something that the Congress could feasibly explore?

Mr. WILLIAMS. Yes, sir, I would certainly hope so for a couple of reasons. My background before the last 12 years in political office of one sort or another was in the mining business, before that the timber business. So, it is an area in which I have some insights.

There is no question in my mind but what, if you try to balance the budget, which this administration faced earlier this year, and the incoming administration will face in the future and considering there are so few controllables in the Federal budget, that you are going to have great difficulty in dealing with this without some massive change. However, it would be a shame, it seems to me, to exploit the nonrenewable resources without making a heavy capital commitment to the renewable ones. I would hope that that would be part and parcel of any plan for exploitation of non-renewables.

Mr. WEAVER. Presently, if national forest land is leased for, let's say, oil exploration and it is developed for commercial production, what do you get? What does the Federal Government get?

Mr. WILLIAMS. The Chief can answer it more specifically, but as a general rule of thumb as far as the Federal Government is concerned, it goes into the general fund rather than into specific reallocation, back to agencies.

Mr. WEAVER. What percentage, or what do we make them pay for this, the people developing the oil and producing it?

Mr. PETERSON. I think it is about 12 percent, but it varies. In some places, if it is a competitive area, you pay a price for the lease, and then you pay a royalty besides that. So, there is a great variation depending on the value of the mineral involved. But, as the Secretary said, in all cases it goes into the General Fund of the Treasury. Some of it is already earmarked to go to counties. Some is earmarked to go into other kind of specialized funds. But it does not now in any case come back for reinvestment in forests.

Mr. WEAVER. We could either earmark those funds for renewable resource investment and/or we could—and, if there is anybody from the oil industry here, I do not mean to make them shudder too much—we could also increase the royalty. Right now I think we are simply subsidizing the energy users of this country when we let these royalties go for so little. I do not think we can afford to subsidize energy use in this country anymore. We need to conserve.

So, we could do that, if possible, and divert the extra funds or the existing funds into the renewable resource investment.

Do you know how much we are now deriving from our national forests from existing leases? I did not mean to spring this on you.

Mr. KAISER. It is very difficult to estimate because BLM collects the data.

Mr. WEAVER. Yes, I know.

Mr. KAISER. It is in our program document. I think it is the best estimate we have. We estimate by the year 2000, though, it will be substantial. You will have to look in there and see what it is.

Subsequent checking indicates that total Federal receipts from all minerals on national forest system lands are projected to in-

crease from 11 percent of timber receipts in 1981 up to 24 percent in 2025.

Mr. WEAVER. The timber receipts?

Mr. KAISER. Very close to it, yes.

Mr. WEAVER. You mean comparable to your timber receipts?

Mr. PETERSON. That is right. Actually only one-fifth as much.

Mr. WEAVER. By the year 2000?

Mr. PETERSON. Yes.

Mr. WEAVER. Would you identify yourself, sir?

Mr. KAISER. Fred Kaiser.

Mr. PETERSON. Fred Kaiser is an economist on our staff.

Mr. WEAVER. Comparable to timber receipts.

Mr. PETERSON. Yes, sir.

Mr. WEAVER. That is a staggering thought. So, now, before they are too large, it might be time to see to it that something is done here. I can tell you this. I will make that one of my major goals in the coming Congress, to explore this, I hope with the Reagan administration. I would love to cooperate with the Reagan administration in this regard because they are interested in developing oil and gas.

Do you, the Forest Service, have any problems other than the general administrative problems with this idea of developing oil and gas where feasible?

Mr. PETERSON. No, sir. There is substantial oil and gas development already going on in the national forests. We expect that to increase.

I might comment that Canada currently uses part of their non-renewable income for investments in renewable resources. Also, the State of Alaska is already doing this. So, there is good precedent.

Mr. WEAVER. But we do not do this now. We do not earmark any of these receipts as of right now for this. This, of course, the land and water conservation fund, and that is acquisition of land, but not for direct investment.

I would hope that Congressman Huckaby of Louisiana had been here for that line of questioning. I will certainly take it up with him as well as other members of the subcommittee.

Chief, I am going to start some of the RPA questioning. I still want other members here when you summarize your remarks.

Assuming that the alternatives for regional and forest plans display a range of goals consistent with the high and low bound of the 1980 program, will the Forest Service feel compelled to choose the alternative that achieves high bound goals or to choose goals in between the high and low bounds, such as those that are represented by the citizen's alternative?

I want to just comment that what I am really saying is that, in determining whether you take the high bound or the low bound, are you going to be high bound?

Mr. PETERSON. You are talking about the regional plan now? Or are you talking about forest plans?

Mr. WEAVER. Regional and forest plans.

Mr. PETERSON. First off, as you are no doubt aware, the conferees last night apparently disapproved the low bound.

Mr. WEAVER. You are talking about the Interior Appropriations.

Mr. PETERSON. The Interior Appropriations conferees. If that is passed by the Congress as part of the appropriation act, it would appear we will not have a low bound anymore.

Mr. WEAVER. It will be the high bound.

Mr. PETERSON. So that we will have the high bound.

Mr. WEAVER. Are you talking about funds or simply the resolution that Senator Melcher asked be adopted?

Mr. PETERSON. I am talking about the resolution that was attached, that appears to have disapproved the low bound.

In developing forest plans, we have always felt that. We would have to be able to manage at either the low bound or the high bound. In other words, when we are doing land allocation, deciding how much land we will have for various purposes, unless we provide for operating at the high bound, then we could in fact make the high bound infeasible. We would try to assure that we could operate at the high bound in setting priorities for expenditure of funds, and would delay some investments if the Congress provides a low bound.

In addition we would analyze a wide range of alternatives at the forest level so that we would know the costs and benefits of a full range of alternatives.

One of the reasons for doing that is to provide better information to consider in updating the 1985 RPA. This would also give us an opportunity to analyze alternatives like the citizen's alternative 4a at the forest level.

Mr. WEAVER. Would you repeat that last sentence?

Mr. PETERSON. This would give us the opportunity at the forest level to look at an option like 4a to see what it would cost and what the benefits are at a point where better information on productivity, cost of access, and all other effects is available.

Mr. WEAVER. Will the citizen's alternative, 4a, be included in the draft plan for region VI?

Mr. PETERSON. I am not sure that exact alternative will be in there. But an alternative that looks at what happens to different parts of the land base from that will be certainly there.

Alternative 4a which we evaluated at the national level used national and regional data. As a result of evaluating the effects of that direction at a lower level, it may need to be formulated somewhat differently.

Mr. WEAVER. You have reviewed the citizen's alternative, have you not, Chief?

Mr. PETERSON. Yes, sir, I have.

Mr. WEAVER. Would you tell the committee what you see as the major differences between the high bound and the citizen's alternative?

Mr. PETERSON. The citizen's alternative is based on the idea that, if we made higher investments on land that is already accessible for intensive management rather than investing in development of currently inaccessible land we might get the best of both worlds. We might get more commodity output and still leave greater opportunity for wilderness designation and dispersed recreation.

It also provides for increasing State and private and research activities.

That is not too much different than an idea advanced a few years ago.

A detailed analysis of that alternative indicates that it requires almost half a billion dollars more money per year in initial investments. So, we are talking about an early and substantial cost increase for intensified management.

It is true, as you point out, that we are making good investments because the present net worth is almost as high as it is for the recommended program.

There are other problems. One is a physical flow problem. For example, many of these roadless areas, as you know, have very high standing volumes of timber. It has collected there for many years, even though the annual productivity may not be too high. So, we have to analyze the details of the expected flow of outputs. We could run into some significant problems particularly in an area like region VI, where we could get the theoretical increased productivity through intensified management, but would not have trees to the size that are needed in the next 25 years. You remember that it was shown in the roadless area intensive management tradeoff study that we would need a substantial part of the roadless areas to maintain the base programmed harvest.

Let me come back to the basic concept. The idea of investing more money in highly productive areas and less money on less productive areas is a good theory that will in fact be analyzed as part of forest land management planning.

Mr. WEAVER. I agree, Chief. We have developed a set of figures here comparing the high-bound program with alternative 4a. What you have said about it is true for 1981, but the figures in the high-bound program for 1982 and on are quite different. You have said there is a half billion dollars difference. But, when you go to the 1982 figures, there is nowhere near this difference in all your figures. You can see in the high-bound program, 1981, 1982, there is this huge jump in all your figures. For instance, the total budget jumps from \$16 to \$66 million.

Land acquisition, for instance, in 1981 in the high bound is 50,000 acres; but then in 1982 jumps to 222,000 acres. I don't like to compare apples and oranges, if we compare alternative 4a, which is relatively consistent throughout its 5-year period. But, in the high bound, you have got this big jump from 1981 to 1982, just boom. How do you explain that, Chief, this huge jump? And should we not perhaps be comparing 1982 figures because of this big jump?

Do you have the same figures I have?

Mr. PETERSON. I do not have the 1982 number here. What I am looking at, is 1981, 1985, 1995, and 2025. You are quite right, in any 1 year we could have a gyration of that kind. That year we may have been talking about one big purchase or investment of some kind that would be needed to achieve future outputs.

Mr. WEAVER. No, everything, the figures all up and down the line; 1981 are low and then they just make big jumps, just almost every single figure.

Mr. PETERSON. 1981 was constrained by the budget, as you remember.

Mr. WEAVER. Right, 1981 is not a good year to compare. Timber stand improvement, 338,000 acres in 1981, 412,000 in 1982. And then it goes 412, 414, and stays at that figure.

Mr. PETERSON. Well, even if you go out to 1985, you still need at least \$150 million more per year to get the smaller outputs of 4a.

Mr. WEAVER. I agree. As a matter of fact, the figures I have here are \$2,350,000,000 for high bound and \$2,450,000,000, \$100 million difference in 1985. But that is not this huge, huge \$500 million difference.

Mr. PETERSON. No.

Mr. WEAVER. That's why I say, let's not compare 1981.

Mr. PETERSON. All right.

Mr. WEAVER. I want to tell my good friend from Arkansas, the ranking member of the committee, that what we are here questioning is the Forest Service has come up with a high-bound and a low-bound program. Some of us feel that the low bound was the Office of Management and Budget simply putting the squeeze on money. The Forest Service high-bound program is what they felt they should do in investment terms and production. The Senate has passed a resolution in the Interior Appropriations Committee incorporating the high-bound program.

By the way, Chief, are the funds in the Interior Appropriations bill for the high-bound program? Of course, that would be the reduced 1981 funds anyway, though. So, the big question is going to be what we do in 1982; isn't that correct?

Mr. PETERSON. Yes, sir.

Mr. WEAVER. That is going to take a categorical jump from 16 in 1966 to 21 in 1971 according to your figures. So, there we have got a \$500 million jump from one year to the next. So, really, to say that we have got the funds in the budget for the 1981 high-bound program does not really say all that much.

Mr. PETERSON. The conferees acted on the 1981 budget and is somewhat below the high bound—

Mr. WEAVER. Even then it is below. Even the reduced 1981 figure is still below the high bound. So, adopting a resolution of high bound and not putting the funds in it, I am not sure what that says, particularly when somebody is going to have to bite the Krugerand next year and put in the money.

Mr. PETERSON. We are always optimistic, I guess.

Mr. WEAVER. What this citizen's alternative does is make more intensive investment on the best lands and also more on State and private programs, thereby actually increasing the outputs for watershed, wildlife, recreation, as well as timber, but leaving some more high-cost retrieval areas alone.

Chief, you have responded that it does make sense, but that some of these high-cost retrieval areas also have large amounts of very, very big standing timber on them, particularly in the West.

Mr. PETERSON. Could I give one other caveat? We did our best to analyze this alternative, looking at the best numbers that we had. But, when you get down on the ground, the land does not tend to be as homogeneous as it might be anticipated to be. So, many times you cannot physically access just the best land without accessing some of the not-so-good land. So, it would be our judgment that, when you actually put this alternative on the ground it will not be

as good as it appears on the basis of a national level analysis because of the practical, on-the-ground situation. That is the reason it needs to be looked at through the land management planning process. To the degree it is practice, it can be evaluated.

Mr. WEAVER. I for one urge you strongly to incorporate these alternatives. My understanding is region VI did not even know about the citizen's plan, did not even review it. So, for heaven's sake, Chief, let us at least consider this alternative.

You say that there might not be merchantable size timber in certain areas. I agree. That is a strong consideration. If we have any departure from the even-flow, nondeclining yield, we are also going to face periods of time when there will not be sufficient merchantable timber. Is that not correct?

Mr. PETERSON. It depends on how that timber is meted out. In other words, it depends on how, over what period of time you use the old growth. It also depends on the response from public and private lands during that period as to what the situation is. You could reach that point if you took the old growth off too fast.

Mr. WEAVER. That is exactly what we are talking about.

Chief, now we have the distinguished gentleman from Idaho, a new member to the Forests Subcommittee. I want to take a great deal of pleasure in introducing our new member, who is replacing Congressman Symms.

We welcome Congressman George Hansen of Idaho to this committee. We are very proud to have you, and thank you very much.

Mr. HANSEN. Mr. Chairman, if I might, I appreciate your welcome very much. I had the pleasure of serving on this subcommittee for a couple of terms in the sixties. In fact, I even ascended to the position of ranking minority member. It seems like we are always in the minority. Nevertheless, it is nice to be back. I appreciate very much the opportunity to work with you.

Mr. WEAVER. Very good.

Now, Secretary Williams, if you would like to just summarize your remarks about the RPA for the subcommittee. Please be brief, just in general so that they know what we are about here.

Mr. WILLIAMS. Yes, sir. We have made my statement available to the record.

Mr. WEAVER. Yes, their full statements are in the record. If members wish to peruse them, I hope they do. Without objection, your statement is inserted in the record.

[The prepared statement of Mr. Williams may be found at the conclusion of the hearing testimony.]

REMARKS OF JIM H. WILLIAMS, DEPUTY SECRETARY, U.S. DEPARTMENT OF AGRICULTURE

Mr. WILLIAMS. We are here really to discuss the RPA planning process and share with you Secretary Bergland's and my strong interest in long-term planning of natural resources. Of course, the chief is here and has a full presentation available for the committee at their convenience. But most of the data, I think, has already been supplied.

Back in 1977, in the environmental message, the President embarked us on the "Global 2000" report, which describes current worldwide trends in population, the availability and condition and

use of natural resources, and the environmental quality of those resources.

The Soil and Water Conservation Act, the RCA, has been implemented under the leadership of SCS, the Renewable Resources Extension Act by Science and Education Administration, and of course the RPA by the Forest Service.

We would point out that, with the growing population, increased affluence, and increased economic activity, our demands will be increased for nearly all forest and rangelands: resources, outdoor recreation, fish and wildlife, timber, water, range forage, and wilderness. On the other hand, assessment shows that our forest and rangeland resources can meet our needs if we increase their productivity through better resource management of public and private lands.

Of course, we have believed and have had some success in increasing research in order to apply the new technologies and develop new technologies in an effort to involve the private forest landowners, the States, the industry, and the Federal Government. Greater emphasis is placed on research relative to management programs in order to accelerate improvements in resource productivity and reduce costs in the longer term.

Stronger emphasis is placed on reforestation of forest lands and technical assistance to nonindustrial private forest owners. Through the additional investment to the national forests and grasslands suggested in the recommended program, we can increase future supplies. And we do give relatively greater emphasis to nonmarket values: water, wildlife, fish, wilderness, recreation, wood, forage, and other benefits within a range of expenditures. The recommended program is balanced fiscally, in that it represents a range of options and the flexibility to adjust to the economic outlook and current conditions.

I think the final two points are: First, the policy statement recognizes the Nation's housing requirements during the next 5 years will place major demands on forest industries. We must increase production of lumber and wood products. In the longer run, private forest lands are expected to become the chief source of increased timber supply, but not during the decade of the eighties.

Consideration must be given to increased supplies from federally owned lands, particularly the national forest system. At the President's direction, the Secretary is accelerating land management planning to determine if we can increase the harvest of mature timber through departure from the current nondeclining even-flow policy.

Second, the policy statement recognizes the importance of the values provided by water, recreation, fish and wildlife, wilderness, and other resources. The proposed management of both timber and other resources requires continual recognition and protection of environmental values.

The statement of policy states that, for fiscal years 1982 through 1985 and beyond, the budget proposals are expected to fall within the bounds of the recommended program totals. Funding for Forest Service programs will necessarily be considered in the context of each year's economic and fiscal situation, along with emerging resource needs and demands placed on financial resources by other

national goals and interests. In some areas, additional planning and analysis will be necessary to provide specific program justification.

That is a quick summary of my statement, Mr. Chairman.

Mr. WEAVER. Thank you, Mr. Secretary.

Chief, your statement is full of detail. We will have to read that. I would like to go on quickly to some questions. We will review with Congressman Anthony some of the things that we explored prior to his coming.

Without objection, your statement will be inserted in the record.

[The prepared statement of Mr. Peterson may be found at the conclusion of the hearing testimony.]

Mr. WEAVER. Increased utilization could produce as much as 10 percent more fiber out of our forests, depending upon market demands. So, here is one way we can expand the output.

Second, we reviewed the possibility that—and I think this would be of great interest to the gentleman from Arkansas—that the Reagan administration wants to develop more oil and gas development on our public lands and national forests. It is only fitting, it is only commonsense that we take some of these revenues, which have been estimated by their economists to reach by the year 2000 actually only one-fourth as much as timber-sale receipts, the oil and gas revenues.

Mr. KAISER. It is not just the oil and gas. When you asked the question, I understood that it was all values of minerals, which includes gravel and everything.

Mr. WEAVER. Fine. Thank you for correcting me.

We should take some of these nonrenewable resource revenues and invest them in renewable resource. That is something that I think this committee should explore in this session of Congress, particularly as the Reagan administration comes in and tells us that they have plans for oil and gas leasing.

Third, I developed the fact that the mainland Chinese are now in our log market in the Northwest, which could have severe implications on our domestic timber supply.

I just simply ask you, Chief, why is the Forest Service not using state-of-the-art valuation techniques in measuring recreation cost effectiveness? Will you do so for the 1985 RPA?

Mr. PETERSON. Mr. Chairman, to my knowledge, we are using state-of-the-art techniques. We have worked with those from other agencies. We are sponsoring research for the future, to evaluate benefits of recreation use and other kinds of outputs. It is a very difficult field. We are using data used throughout the Government by, for example, the Water Resources Council. It is one of the basic references for those kinds of values. But we realize that there is more work that needs to be done in evaluation of those kinds of outputs.

Mr. WEAVER. Much of the work force for the recreational program comes from the YCC and YACC, does it not?

Mr. PETERSON. That is true.

Mr. WEAVER. If those programs were eliminated, what would happen?

Mr. PETERSON. Since they do provide a large source of the labor for recreation and so on, we would have to either increase the

regular work force to help offset that, or we would have to reduce the services that are being provided and reduce maintenance levels, possibly close some facilities.

Mr. WEAVER. As a land manager, you have to concern yourself both with capital investment and operation and maintenance costs. Right now they are in complete competition oftentimes not even distinguished from the other. Would you address this problem from the terms of your ability to make sure that this Nation has the renewable resources in the future?

Mr. PETERSON. The fact that the Federal Government has never developed a capital budgeting system has been a matter of frustration to a lot of people. It means that every year dollars spent as a capital investment counts the same as direct outlay of money that provide no investment return.

We have made a start in trying to distinguish between those two by at least showing them separately in the RPA program. But, when it comes time for competition for budget, showing them separately does not really help us any. In fact, when we are faced with a budget reduction, in the real world what goes first is capital investment because there are certain things on the operation and maintenance side that we cannot very easily stop. For example, we cannot stop administering last year's timber sale contracts. So, in a budget crunch, capital investment tends to go first. That is just a fact of life that has been around for as long as I have been watching the Federal budget.

Mr. WEAVER. To your knowledge, do large timber corporations distinguish between capital investment and operation and maintenance costs?

Mr. PETERSON. All of them that I am familiar with do, yes.

Mr. WEAVER. So, the Congress forces, in effect, the Forest Service to deviate from what our private enterprise companies have found to be the best way to handle the situation. Is that correct?

Mr. PETERSON. The Federal Government in general does not use capital budget.

Mr. WEAVER. Yes, I know.

Mr. PETERSON. They do not discriminate against the Forest Service. They just don't do it for anybody.

Mr. WEAVER. Probably the Forest Service is one of the key areas where this distinction should and must be made.

I have other questions, Chief, that I will submit to you and ask you, without objection, to be placed in the record.

[The questions submitted by Mr. Weaver may be found at the conclusion of the hearing testimony.]

Mr. WEAVER. The gentleman from Arkansas?

Mr. ANTHONY. Good morning. I apologize for being late. If some of these questions are repetitious, just bear with me.

I guess what bothers me most of all and I guess Mr. Weaver was getting into it with some of his high bound, low bound is this. From reading some of the testimony that had been presubmitted last night, it appears that just about everybody is complaining about the high bound. As a matter of fact, it seems like just about everybody that has a special interest, from snowmobiling all the way down, has some kind of a complaint. It looks like it is going to

be up to the Congress to work through all of these complaints and try to come up with some consensus.

What bothers me most of all, though, is this. What do you think you can do to slow down the cost of the ultimate product to the consumer? We are already having difficulty with housing to begin with. This seems to be one of the major thrusts of some of the statements that will be made by other witnesses. One sentence is: The mix of outputs necessary to meet the industry goal means that national forests, with 50 percent of the softwood sawtimber inventory, must substantially increase output during the next 20 years.

Are you in a position to be able to do that?

Mr. PETERSON. We can make some contribution to that, yes, sir.

The problem of costs in general, as you know, in this country is a difficult one. One way we could decrease costs, of course, is to increase supply, which has a tendency to dampen costs somewhat. Inflation itself feeds additional costs to the economy.

In putting this program together, a lot of attention was paid to both the cost side and the benefit side. We are not yet able to reflect in the economic analysis the complete benefits of an additional supply of something. It disappears into the economy and it is hard to track. However, there is no question that increased supply of goods and services is one of the ways to try to dampen costs.

Mr. ANTHONY. It appears that some of the industry associations feel very strongly that the softwood timber removal would have to be increased by 50 percent as opposed to the administration's 37 percent by 2030. Is that a feasible goal of the Forest Service?

Mr. PETERSON. Well, we are not quite sure what the feasible goal is. Let me point out that in the recommended program it does not include in any volumes that might come from departure from even-flow sustained yield. If we are going to achieve these increased volumes, a major portion could come from that. The National Forest Management Act requires that a land management plan be prepared for specific forests which then will provide for an evolution of the potential for departure from the sustained yield over-flow policy including both cost and the output information.

Mr. ANTHONY. Are you working on the previous orders of the President?

Mr. PETERSON. Yes, sir. We will have several of those forest plans in the draft stage in the next few months. Our proposal is that we will update the RPA recommended program each year to reflect those departure decisions. So, you see, it may well be that those two numbers that you point out are not as far apart as they appear to be, to the extent that departure helps close that gap.

Mr. ANTHONY. I guess what disturbs me is the hesitancy by not being able to project exactly what increased supply would mean in the marketplace.

Mr. PETERSON. We have made some estimates. They are the best that anybody has. For example, we could moderate stumpage prices.

Mr. ANTHONY. It is going to drive them down; is it not?

Mr. PETERSON. It could drive stumpage prices down. If we increase supply enough we could have a big effect on stumpage prices, a lesser effect on lumber prices, a lesser effect yet on plywood prices, and some effect on housing prices.

Mr. ANTHONY. I can understand the top side on the housing price because you have so many other variables that go into that: land cost, labor cost, and all other costs that you cannot control.

Mr. PETERSON. Right.

Mr. ANTHONY. But, having dealt with the business, I can tell you that stumpage cost has a direct impact on what the selling cost is going to be out of the end of the mill.

Mr. PETERSON. Obviously.

Mr. ANTHONY. Or whether or not that mill is even going to be operating.

Mr. PETERSON. That is true. And the most difficult situation we have on stumpage prices now is in the Pacific Northwest, as I think you are aware.

Mr. ANTHONY. I guess what is disturbing to me is that there is such a strong difference of opinion as to the percentages. I guess it is easy for us to get lost looking at percentages as we look at these reports and look at testimony. There just appears to be too wide a difference of opinion between the people that are in the business of growing trees privately and also depending upon the national forests, especially in the Pacific Northwest, and what you say your high bound is capable of doing.

One testimony that will come later will show national forest sales must increase by 45 percent by the year 2000 as opposed to 19 percent. That is a dramatic difference of opinion.

Mr. PETERSON. Again, that 19 percent does not include what might come from departure. That 19-percent increase might well go to 30 percent or some increase. We do not know yet that number.

Mr. ANTHONY. Do you feel it is fair to say that the national forest is going to have to be the major supplier in the short run and that private industry is going to have to be the supplier in the long run?

Mr. PETERSON. I think, yes, that the role of the public lands in the short run will have to be greater than they might be in the long run. That is true.

Mr. ANTHONY. We know that the private foresters are trying their very best to be able to be in a position to meet that long-term goal.

Mr. PETERSON. True.

Mr. ANTHONY. Is the U.S. Government willing to make a commitment on the short term to meet its goal?

Mr. PETERSON. Well, that decision will be made by the Congress as they appropriate funds each year.

Mr. ANTHONY. I understand that, but you are going to have a big selling force on coming in and being very forceful as between a high and a low bound. If you get stuck someplace in the middle, I can tell you what the Congress will do. They will find someplace else to put the money.

We have been fighting like the devil for 2 years and asking you questions and other people who come here, especially representing the Treasury, just on tax credits, tax incentives. Well, we finally did it, but we did it through a tricky maneuver. But at least we did it.

I think when you come back in 2 years, we are going to be able to show those people that it worked.

Mr. PETERSON. I think that is true. We will do the best we can to make the case, Congressman Anthony.

Mr. WEAVER. Chief, I want to thank you very much and, Mr. Secretary, you also. I appreciate your coming.

I want to, without asking the question now, mention it that I am concerned about this land trade in Douglas County, Oreg. I want to look into that very carefully. I want to tell you that it is of great interest to me. I will submit my question in writing, and we will talk about it later.

I appreciate very much the fine leadership that you have given the Forest Service. I wish you very well in the future because our Nation is going to depend on you and what you do very heavily. Thanks again for coming.

Mr. WILLIAMS. This should well be my last appearance before the committee. I am here today because Assistant Secretary Cutler resigned a few months ago. We have an Acting Secretary, Dr. Bailey. I particularly wanted to be here with the Forest Service because, as I go home, I am convinced, after having spent 12 years in public service, 6 in the executive branch, that the Forest Service is an excellent professional organization, as most of the agencies in the Department of Agriculture are.

I leave with no regrets of having been here but with great admiration for the professionalism that we have.

Mr. Anthony was talking about driving stumpage prices down in order to keep the housing and the component costs of wood products reasonable. The other side of that issue is, that I will be leaving the Government and going back to the private sector, if you drive stumpage prices down too far, those of us who are private landowners are not going to be too interested in developing long-term plans for timber. So, it has a tradeoff that I will point out to Mr. Anthony when I have a chance to see him again.

Thank you very much, Mr. Chairman.

Mr. WEAVER. Mr. Secretary, thank you very much.

The chair will call Dr. Ruthann Knudson, Society for American Archaeology. I am going to place your full testimony in the record, without objection, and please summarize if you would.

[The prepared statement of Ms. Knudson may be found at the conclusion of the hearing testimony.]

STATEMENT OF RUTHANN KNUDSON, LEGISLATIVE COORDINATOR, SOCIETY FOR AMERICAN ARCHAEOLOGY

Ms. KNUDSON. Thank you very much, Mr. Chairman. I appreciate your changing the order of the testimony since I do have a plane to catch and, after 10 days in Washington, am looking forward to going home to the mountains and the forests myself.

I am particularly pleased this morning to be able to represent the Society for American Archaeology and historic preservation in general and expressing our concerns about the management of historical properties of the Forest Service. The House and Senate have just this week passed a new historical preservation act amendment which you cosponsored which will provide some significant new direction to Federal agencies in terms of their management of these resources.

I have testimony that is not particularly lengthy but more than I need to go through here.

I think that our basic concern within the professional and amateur historical and archaeological community in the reports for RPA is the almost total lack of any comment within these reports and within the President's policy statement about a, not overwhelming, certainly, but still significant part of the Forest Service's program. In the 1,500 pages of the draft and final report, this program is only mentioned in a few places. It certainly appears to be treated only as an irritant and compliance problem rather than as a concern for a need for enhancement of hundreds of thousands of properties that represent anywhere from 15 to 30,000 years of our human use of the land.

This is a program that has professionals represented in the Washington, D.C., and regional and forest levels. They are people who are involved with developing inventories of historic properties and giving us information out of archaeological sites about the history of the land itself. The pollens, the volcanic ashes, and the soils in culturally significant time marked sites tell us an awful lot about the land itself.

We would like very much to encourage the Congress to ask and to suggest that the President in his policy statement, amend his policy statement to add the cultural resources as a specific program element within this so that it is treated with the advocacy and the affirmation that I think it merits. At this point it is less than cost effective and less than productive a program for the effort that is being made.

Mr. WEAVER. As things are progressing now, the way management policies are now, what do you fear the most in terms of your field of public lands?

Ms. KNUDSON. We seem to wind up behind the eight ball most of the time. We finally have cultural resources identified in the new planning regs, 36 CFR 219; but, because they are not attended to early in the process, they tend to be brought in only sort of as an irritant at the end. I think, quite frankly, that we get a bad rap a lot of times, that isn't productive—

Mr. WEAVER. What I mean is, what actual, physical things are you concerned about as we continue to manage our national forests and the way they are?

Ms. KNUDSON. Activities?

Mr. WEAVER. Yes, what would you say to the public is your main concern? What is going to be lost or whatever?

Ms. KNUDSON. What is being lost right now is a significant record of the prehistory and the history of the land and of the Forest Service through timber sales, through earth-disturbing activities, in wilderness programs through deliberate burning of historic properties, to maintain that concept of purity in the wilderness. I think this policy is being changed. But we are clearly losing a nonrenewable cultural resource base through earthdisturbing activities where we could make some alternative plans and avoid some of those.

Mr. WEAVER. Are these mainly human things we are doing?

Ms. KNUDSON. All human things, yes.

Mr. WEAVER. Thank you very much.

I wonder if Mr. Peter Kirby could come to the stand accompanied by Mr. Randall O'Toole. Please proceed, Mr. Kirby. Without objection, we will put your entire statement in the record.

[The prepared statement of Mr. Kirby, and his additional submissions may be found at the conclusion of the hearing testimony.]

STATEMENT OF PETER C. KIRBY, THE WILDERNESS SOCIETY

Mr. KIRBY. Thank you very much, Mr. Chairman. My name is Peter Kirby, National Forests Issues Specialist for the Wilderness Society. The society is a national conservation group dedicated to the protection of America's remaining wildlands. We support the RPA process as a way of bringing greater balance to spending among the multiple uses, of better involving the public in long-range policy and budget planning for the Forest Service, and of better disclosing the environmental impacts and resource tradeoffs of alternative futures for the national forests.

I will also be speaking today on behalf of the Sierra Club, which was unable to send a representative. I would like to submit for the record the testimony that Mr. Paul Swatek gave at the Senate Oversight hearings earlier this fall. Also for the record, I would like to submit the comments that our organization submitted during the RPA process itself. [Not submitted at press time.]

Mr. WEAVER. Those statements and your statement will be included in the record, without objection.

Mr. KIRBY. Let me begin by discussing briefly, as you suggested witnesses do in the press release for the hearings, the so-called citizen's alternative. I would like to respond in doing so to some of the statements of the Chief and also bring out some additional elements and advantages of the citizen's alternative. I would like to conclude by discussing and asking some questions about the Senate rider which was accepted by the conferees last evening and may become law.

In connection with 4a, I would like to talk about first the wilderness disclosures and second the fish and wildlife aspects of 4a compared to the recommended program.

During the public comment period on the RPA documents, many conservation groups joined by strong citizen support in letters and in hearings generally supported alternative 4. This alternative would have provided the greatest increase in National Forest Service nonmarket outputs, including wilderness and fish and wildlife. But, as you recall, it called for substantial cuts in grazing and timber harvest levels. So, the citizens commenting and supporting alternative 4 asked for a modification that would provide for modest but steady increases in these commodity outputs but still retain many of the advantages of alternative 4. The Forest Service, disappointingly, did not select this option but did develop the alternative in some detail which is displayed in the final program.

For your convenience and for the convenience of the people attending today, in comparing the two alternatives, some of the key output and budget levels are set out in the testimony.

The first set of figures is from the recommended program. The second is from alternative 4a. As you can see from looking at the figures on page 2 of my prepared statement, the high bound for wilderness and the recommended program is 42 million acres by

1990, which assumes that all of the RARE II for the planning areas are designated by Congress.

Under alternative 4a, in contrast, the Nation could eventually attain almost 48 million acres of National Forest Service wilderness. As the other figures show, this increase of almost 15 percent beyond the high bound of RARE II could be achieved with relatively little shortfall and Forest Service commodity levels. Livestock grazing goals are virtually the same for both alternatives.

In timber sales for alternative 4a, they fall in the higher reaches of the recommended program range. They are only percentage points below the high bound.

So, as you suggested in your exchange with the Chief, we could have our cake and eat it, too, have the additional commodity outputs and save our dwindling wilderness resource.

Also noteworthy is that 4a costs relatively little more than the recommended program. I think your exchange with the Chief brought this out very well. As I recall, you looked at fiscal year 1985 and determined that there would be less than \$100 million difference between 4a and 4. This is out of a budget of over \$2.3 billion. So, it is less than 5 percent of an increase in return for a major opportunity to save, as I said, our dwindling wilderness resource.

The Chief also questioned the feasibility of 4a and said that the Forest Service would be testing it out on the ground. Well, first of all, that is welcome news; and we certainly look forward to regional and forest plans that develop this. Second, I did not find that one study he cited is very persuasive evidence. You may be familiar with roadless areas tradeoff study that was done in the Northwest, in northern California. It called for much higher wilderness withdrawals than 4a contemplates.

So, I do not think that study is a fair criticism of 4a. So, I think we will have to have an open mind as we go into the planning process and see whether 4a can work.

The Senate resolution, as you know, vetoed the low bound and put Congress on record as generally in favor of it. In the oversight function of this committee and possible further amendments of congressional policy, we urge the subcommittee to recognize that the RARE II recommendations are only a floor and not a ceiling for congressional action. As we have seen, through 4a Congress can establish a national forest wilderness system that is more ample, more diverse, and more accessible than RARE II will provide and still attain the achievement or near achievement of high bound RPA market goals.

The key to a workable 4a is more intensive management on the accessible, more productive Forest Service cites. In this respect we support the Senate goal of increasing Forest Service productivity to a higher percentage of its potential. The increases, however, should only be carried out on lands well suited to greater management intensity and measures that approve an environmentally acceptable and consistent with other multiple use objectives.

Also, the additional investments must be cost effective so as not to unfairly compete with the private tree farmer who must earn a profit or draw excessive demand to the national forests, as was suggested by the closing comments of the deputy secretary.

Let me turn now to one other element of 4a that was not explored during questioning. This has to do with the fish and wildlife element of 4a as compared to the recommended program, a subject of increasing interest not only because of booming recreational demands but also because there is a lot of the economic values of increased fisheries production, for example.

Between the draft and final RPA program, the Forest Service developed a new issue on the priority to be given fish and wildlife in Forest Service management. The final program directs that these resources be given increased emphasis. Evidence of this emphasis is the program policy that anadromous fish habitat be protected at 90 percent of its potential productivity and resident fish habitat at 80 percent of its potential. This is a welcome improvement from the 1975 program goal of protecting fish habitat at only 70 percent of potential.

The Six Rivers National Forest timber study, with which you may be familiar, is a good example of the importance of this standard. That study shows that even a small increase in delivered sediment to the rivers from timber harvest would result in major economic losses in values, running into the hundreds of thousands of dollars to the fisheries industry.

We think this is a cost-efficient standard as well as a welcome one.

The fisheries standard is also significant as assurance that departures from even-flow sustained yield, if any are selected in the upcoming land management planning, will be environmentally acceptable. As you well know, section 7 of the National Forest Management Act allows departures only if they are consistent with all the multiple use objectives of the forest plan. If a departure would drop fisheries protection below the 80 or 90 percent RPA level, it cannot by law be selected.

Mr. WEAVER. I certainly agree with you, as I wrote that language; but some other people have not agreed with that. So, we will have to continue the fight.

Mr. KIRBY. This is significant because one of our concerns about departures would be that other multiple use objectives might be tailored to allow departures. By having this standard established and fixed, the one on fisheries, that possibility will not be one to fear.

Let me mention, though, that 4a sets even higher fish and wildlife protection standards and, as I said before, with relatively little difference in commodity outputs. For example, for alternative 4a, the environmental protection standard is 100 percent protection of resident and anadromous fish productivity. So, in the case of resident fisheries, there is an improvement of 20 percent protection and, as we have seen, with relatively little shortfall in commodity outputs.

In addition, the fish and wildlife element for 4a provides a greater diversity of tree species and wildlife community species than does the recommended program. It also provides for greater enjoyment of nonconsumptive wildlife.

In short, the citizen's alternative on fish and wildlife, like on wilderness, establishes that we can go beyond the recommended program and still meet many of the same outputs. So, again, in

future subcommittee review and modifications of congressional policy, I think we should see the recommended program as establishing only a floor for fish and wildlife.

Mr. WEAVER. I, of course, very strongly agree with you and believe that we should go in this direction. I think you have made a very good case within the limits we have here today. I appreciate very much having this on the record.

Mr. KIRBY. May I conclude, Mr. Chairman, with two observations about the Senate rider? Generally, as I mentioned, it vetoes the low bound and establishes the high bound as congressional policy, which we would certainly welcome in terms of wilderness because that means that further planning areas would be added to the system. But there are two rather puzzling and difficult ambiguities in the policy.

One has to do with range. The Senate provision which Senator Melcher sponsored calls for a 50-percent increase in range outputs from public land and private land, from about 210 million AUM's to 310. Well, the national forests provide a very small percent of this output, about 5 percent. What is left unclear is whether the congressional policy is calling for a 50-percent increase from Forest Service lands or calling for increases from other lands.

I think the case is clear that the increases should come from other lands. It is on the national forest lands with conflicts the strongest between grazing and recreation and fish and wildlife as opposed to private lands. In addition, it has been established that the investments on public lands are often very cost inefficient, in part because of the low return from grazing fees as compared to private lands.

So, we think it is important to clarify the congressional policy that these sorts of increases do not necessarily have to come from forest lands, which provide a small percent of the increase and at a much higher cost.

Last, the Senate program calls for the United States becoming a net exporter of forest products by the year 2030. Again, what is disturbing is the lack of specificity about how we are going to get to that. Are we going to get to it, as the Chief was suggesting today, through increased utilization? Or are we going to get to it through massive departures from even flow? It is left ambiguous. We would hope that there could be some clarification of what the impact on national forests will be from this goal.

Mr. WEAVER. Thank you very much.

STATEMENT OF RANDAL O'TOOLE, CASCADE HOLISTIC ECONOMIC CONSULTANTS, EUGENE, OREG.

Mr. O'TOOLE. Thank you, Mr. Chairman. I am Randal O'Toole. As you know, I am a forest economist with Cascade Holistic Economic Consultants, or CHEC. Today I am also representing the Oregon Wilderness Coalition and some of my other clients, which are listed in the testimony, who have asked me to represent them in testimony.

Two days ago I was in my forest retreat, you might say, in the Illinois Valley in the Siskiyou National Forest. It is rather a shock to me to suddenly be brought here and talk about the forest that I have been studying in the Siskiyou and in other forests in Oregon.

I do want to thank you for asking me to come and provide me with the opportunity to speak today on the subject of the renewable resources program. I have somewhat a different viewpoint than other speakers today, including Mr. Kirby. A lot of discussion has been made today on the level of investments, particularly in timber management, in the national forests. CHEC research has shown that investments appear to be far too high rather than too low on many, if not most, national forests in the country.

CHEC research has found that a large amount of land in Oregon is unsuited for timber management even though that land is now being managed for timber by the national forest. We have also found cases where the Forest Service has overestimated timber productivity. Most of our research has been in northeastern Oregon, and a considerable amount of research has been and is taking place now in southwestern Oregon, particularly the Siskiyou National Forest.

The past research has been on the Wallowa-Whitman National Forest. As you know, section 6k of the National Forest Management Act requires that forest land which is not economically suited for timber production be withdrawn from the timber base. Taking into consideration the cost to the taxpayer of timber management and Forest Service estimates of future timber prices, CHEC research has found that 66 percent of the Willowa-Whitman National Forest, for example, cannot produce a 5-percent rate of return on investments in timber management. That land, two-thirds of the forest, is unsuited for timber management.

The RPA timber objective is based on part on estimates of the capability of the Wallowa-Whitman and other forests to produce timber made by the forest supervisor and regional forester before inventories correct errors in productivity estimates and before an economic analysis of timber land suitability is complete or, in fact, even begun. The disaggregated RPA timber objectives which will come to the Wallowa-Whitman and many other forests will be far too high.

With respect to timber land suitability, the Forest Service has neatly side-stepped the problem of section 6k in its definition of timber land suitability in the NFMA regulations issued in September 1979. These regulations define suitable timber land to be all timber land which is needed to meet the RPA objectives. This means that on many forests, on a few forests such as the Olympic, the Siuslaw, and the Willamette, virtually all the land that is considered suitable will in fact produce a reasonable rate of return on taxpayers' investments. But many other forests like the Wallowa-Whitman and the Siskiyou, land will be included which will be managed for timber which will produce benefit-cost ratios far less than one: land that is not, in fact, economically suited for timber production. Inclusion of this land, of course, would reduce present net worth. More importantly, it would increase costs to the taxpayer.

The RPA timber objective is also based on an assessment of the interest rate appropriate to the timber management. It is no secret that the high bound is partly based on a 4-percent interest rate which the Forest Service has preferred, while the low bound is

based on a 7-percent interest rate, which the Office of Management and Budget has preferred.

The interest rate is not something that you can vary in order to obtain the objectives you desire. The Forest Service can no more use a 4-percent interest rate in order to increase its harvest than I can change the price of gasoline to make my driving cheaper. What rate should the Forest Service use? A poll of a number of industry leaders in Oregon and in the Pacific Northwest undertaken by CHEC found that the real discount rate or alternative rate of return used by the timber industry is between 6 and 9 percent. If the Forest Service uses a 4-percent rate, then public investments will be made on national forest timber which may return, say, only 4 or 4.5 percent; or the industry will fail to make investments on its own land which could produce 5 or 5.5 percent.

The result will be less timber production, fewer jobs, and lower national forest and environmental quality. In fact, industry leaders have told me time and again that they would never make some of the investments that the Forest Service is now making on many of its timber lands if those lands belong to the industry.

Public awareness of the timber land suitability question is growing. The Natural Resources Defense Council's report, Giving Away the National Forests, which found that over half of our national forests lose money on their timber programs alone, has received nationwide publicity.

Throughout Oregon and Washington and other parts of the country as well, individual citizens concerned for the multiple use resources of the forests are identifying many proposed timber sales in areas which cannot be economically managed for timber. These lands will produce far greater benefits to society if they are used for the benefit of other resources.

Most recently, Resources for the Future has published a book: "Timber Supply, Land Allocation and Economic Efficiency" by William Hyde. That book should be required reading for all Congressmen from States which have national forests in them. The book concludes that the Forest Service has been extremely inefficient in its investments in timber production. It found that national forest wilderness or other timber withdrawals could be tripled in the highly productive Douglas-fir region of Oregon and Washington simply by removing unsuitable forest land from the timber base. It also found that, by more intensively managing the remaining land, the timber harvests from national forests need not decline as well.

I would like to respond to a remark made by the Chief that that might not be feasible because good lands and poor lands are pretty well integrated on the national forests. In fact, the Siuslaw National Forest is almost entirely, from a timber management viewpoint, economically feasible, although for timber management, although there are many multiple use constraints which constrain timber management in certain areas.

On the other hand, the Willowa-Whitman National Forest, the San Juan National Forest, and many other forests are extremely limited in their capability of producing timber. So, it is not so much that these lands are very closely integrated. It is a matter of local community stability.

The 1975 RPA found that the Forest Service, which has long been known as one of the few Federal agencies which makes money, will by 1990 be losing \$1 billion a year. The trimming of commodity resource investments in 1980 RPA will delay this somewhat. But eventually the Forest Service will become a deficit agency, and most of the deficit will represent subsidies to the timber and as well the livestock industries.

I do not think that taxpayers will long stand for such subsidies, which even today are estimated by CHEC to be on the order of \$100 million a year to the timber industry and \$15 million a year to the livestock industry from the national forests.

When the subsidies become apparent, when the Forest Service becomes a deficit agency, major budget cuts will probably be necessary. Perhaps for a while we can subsidize the timber industry out of mineral income. But the minerals, as you know, are nonrenewable resources. Income from minerals will not last forever.

It would be much more sensible for the Forest Service to recognize this issue today rather than impose it on future generations of forest managers. If the Forest Service is to meet its longstanding objective of sustained yield management of timber land, it should plan to phase out harvests of timber from nonsuitable land and correspondingly increase investments in the best land at its disposal.

I hope that this information has been useful. Copies of CHEC reports that I have referred to in this testimony can be made available to the subcommittee.

Mr. WEAVER. I appreciate that very much. I value your research highly. There is not enough of it being done in this country, strange though it may seem, because what you are talking about is real dollars and cents.

What you are saying, at least in my mind, is the reason why most industrial nations have no timber anymore. What took nature thousands and thousands of years to establish has been cut, and that's it. The investment return to replant it and put that back into timber production, the motivation is not there.

You are saying that this exists in this country, too. I do want to phrase the question, however, that I am sure that the timber industry would ask you, I assume has asked you. That is, even though an area might have taken 800 years to establish a timber stand, and it will take another 800 years to reestablish, why not use that timber now, cut it down now, and then let the land be wilderness?

Mr. O'TOOLE. I would very much like to see that question phrased by either the timber industry or the Forest Service. Right now I don't think either of them are willing to admit that the Forest Service is actually mining old growth timber on many of the western national forests. In the long run, it will not be possible to manage that land on a sustained yield. If they are willing to admit that, then we can discuss whether that mining is suitable or not. I think in some cases I would agree, old growth mining is suitable. In other cases, the multiple use values that that old growth represents outweighs the values of the old growth as wood products.

Mr. WEAVER. That is a very good statement. How do you think the FNMA addresses this question? Is it adequate?

Mr. O'TOOLE. I think that the NFMA makes very clear that Congress does not want to see mining of old growth forests. The Forest Service is really on the horns of a dilemma. They can continue to mine the old growth forest and then at some point find that they are selling deficit timber sales or sales below cost to such an extent that they are losing money and then decide to cut timber harvests, which is a violation of sustained yield. Or they can decide to come to Congress and say: we want to continue selling sales below cost even though it's on unsuited timber land, and that is in violation of section 6k of the National Forests Management Act.

Either way, they are violating the law. They have to come out and change their stance and say: We do not want to violate the law; we must either reduce our harvests, phase out our harvests, or, Congress, you must change the law and allow us to mine timber in certain cases and do other practices in certain cases.

Mr. WEAVER. Our next witnesses are Gordon Stoddard and David Stahl from the home builders, so I must ask you this question. You continually talk about subsidies and deficit sales, et cetera. But aren't these subsidies reflected in the price of wood and meat to the ultimate consumer?

Mr. O'TOOLE. Not everybody lives in a house that is entirely made of wood, but everybody is paying for those subsidies. Not everybody eats meat, but the Forest Service loses \$15 million a year on grazing. The BLM loses \$20 million a year on grazing. Vegetarians are being forced to subsidize meat-eaters. That is a very crude way of putting it. But why shouldn't people who want to live in wooden homes, why shouldn't people who want to waste paper and not recycle, why shouldn't people who want to have thick slabs of red meat on their tables—and I eat beef; I am not trying to denigrate them—pay the entire cost of wood, paper, and meat? Why do other people have to subsidize them?

Mr. WEAVER. Randy, at least from my point of view, I do not think you are on solid ground there. You may well be on highly solid ground, however, as to whether this is simply a good practice for the general public itself. For instance, we subsidize the oil and gas industry. I think that is terrible, simply because we should not be making it easier to consume those nonrenewable resources, you know, because they are going to run out.

You made the case that we have some nonrenewable timber stands. Therefore, should we be making it easier to go through those? My feeling is that would make the better case.

I want to thank you very much, both of you, for your very valuable testimony. We will try to brood it through the Halls of Congress. Thanks so much for appearing.

Mr. O'TOOLE. I would like to make one remark.

I am sure most Members of Congress are aware that the oil and gas industry is being subsidized. Those who believe in those subsidies have formulated rationalizations to support them. I do not think that most Members of Congress are aware that the timber industry is being subsidized. We have to make them aware and then let them consider the arguments for and against such subsidies.

Mr. WEAVER. Thank you very much.

Mr. O'TOOLE. Thank you.

Mr. WEAVER. The Chair will call David Stahl and Gordon Stoddard of the National Association of Homebuilders. I welcome you two distinguished gentlemen. I appreciate very much your coming. I look forward to hearing your remarks because, frankly, a lot of the previous testimony has aimed squarely between your eyes. I would like to hear your comments on it.

If you have prepared statements, we will place them in the record. I appreciate your summarizing them.

[The prepared statement of Mr. Stahl may be found at the conclusion of the hearing testimony.]

STATEMENT OF DAVID E. STAHL, EXECUTIVE VICE PRESIDENT, NATIONAL ASSOCIATION OF HOMEBUILDERS, ACCOMPANIED BY GORDON STODDARD

Mr. STAHL. Thank you for the opportunity to be here, Mr. Chairman. I am Dave Stahl. I am executive vice president of the Homebuilders. With me is Gordon Stoddard.

In a sense, we are here representing the consumers, I guess, ultimately of the very technical things you are discussing. We are concerned about the consumers in the decade of the eighties. In the decade of the seventies, 30 million Americans reached the age of 30, give or take a few years. That is a typical family-forming age, a homebuying age. In the decade of the eighties, some 41 million Americans will reach that age. We anticipate that there will be a 25-percent increase in family formation. Therefore, we are forecasting a very high demand for housing.

Homebuilding consumes about one-half of the softwood that is consumed in this country each year. Softwood and wood products represent about 15 percent of the finished price of a home in the United States.

In trying to summarize my written testimony, let me say that we are concerned with the greater need for more production on private nonindustrial lands. The RPA program alternative 4a, known as the citizen's alternative, places a greater emphasis on timber production through State and private forestry programs as does the high bound program. However, the projected funding levels under both the high bound and the alternative 4a will probably not be sufficient to provide the degree of incentives necessary to promote increased timber harvests from these lands. Further, the RPA does not come forward with specific and strong programs that will insure that the State and private forestry goals are attained.

We are also concerned, as we have been before you before, Mr. Chairman, with log exports and third-party substitutions.

We think we are standing on the threshold of an explosion in housing demand. I am deeply troubled that we may not have the available lumber to meet that demand. At the very least, an unprecedented spiral in lumber prices will occur in this decade that will worsen the already serious problem of housing affordability, particularly among first-time home buyers.

We have grave reservations about the RPA program as announced by the President on June 20. It does not recommend to Congress a preferred short- and long-range program of inputs and outputs for the Forest Service, as required by the 1974 Forest and Rangeland Renewable Resources Planning Act. It does not respond

to the needs outlined in the RPA assessment. The program as recommended by the President will not come close to meeting the realities of the timber supply and demand that we foresee in the decade that we are now in.

Mr. Chairman, before you had us figuratively biting a Kruggerand. In conclusion, let me say that our concern is that we may need one to buy a 2 by 4 before the end of this decade.

Mr. WEAVER. You have said your say very succinctly, almost more succinctly. I had hoped to hear more detail. I am sure I share your feeling about the Chinese entering our log market with an already extremely high sale to Japan.

What is your feeling about the export of finished wood products to such countries as Japan and China?

Mr. STAHL. Well, we are somewhat encouraged by that, I think, because the probability of expanded mill capacity certainly augers well for the expanded demand that we expect our industry to have; that capacity being there, I think, is a good thing for the country.

On the other hand, in regard to the beginning of our efforts to export logs rather than finished lumber to China, we are very concerned about that, as we have been generally concerned with log exports. As housing starts begin to move up from the rather dismal 1.2 million unit level that we are at now—and I think the starts figures that came out yesterday showing a very slight increase are really very misleading. They do not reflect what is actually happening in your district in Oregon today or in any other Congressman's or Senator's district.

The housing industry is virtually closed down today. When mortgage rates exceed 14 percent, a very small percentage of the American people can afford to buy any kind of housing, new or used. So, with the very low level of capacity and activity in our industry, we are at the moment not terribly concerned with the lumber situation at all. Most builders today are concerned with their economic survival: will they be around in 1981 to produce anything. The price of a 2 by 4 or a sheet of plywood is almost irrelevant today for the typical American builder.

As we move up, as we must in the eighties, to production levels of the 2 million range, we anticipate again looking at something like 33 percent of our timber coming in from Canada. And that is not good for the country any more than shipping the very valued resource off to—certainly in an unfinished state—the Far East or any part of the world.

Mr. WEAVER. This is true, but we have reason to believe the Canadian imports are going to decline. So, where are we going to get this timber? I am talking about the next 30 years. Are we going to start building more with brick?

Mr. STAHL. One of the organizations that I deal with from time to time, Mr. Chairman, is the Zinc Institute. They are very concerned with the opportunity to use metal studs in homebuilding. They have been working with our technicians, with our staff on alternative ways of stimulating the builder to use the metal stud as against the wood stud. I have consistently said to them that probably the best program that they could pursue in terms of accomplishing their ends would be to continue to encourage a low rate of production from the national forest.

As timber prices continue to escalate, the steel stud becomes a more realistic alternative for the American home builder. It is probably not a good thing for the consumer. Builders are not used to working with metal as against wood. Wood is a renewable resource. Zinc and metal are much more energy consuming and much higher cost products. They are not renewable. The building community is not used to working with them. They do not have the same flexibility and thermal performance values that wood does. I think it would be a sad day for our industry and for the American housing consumer.

If I were with the Zinc Institute, I would lobby everybody in sight to keep the production from the national forests as low as possible.

Mr. WEAVER. I used metal studs in several buildings right in Eugene, Oreg., would you believe, commercial buildings, office buildings.

Would you respond to the two witnesses prior to you, the idea of mining timber and selling deficit sales? Can you address that issue? What did you think of their comments?

Mr. STAHL. I am not sure I fully understand it, Mr. Chairman. Maybe Gordon Stoddard, who is on our staff and spends his full time studying this issue, can give you a more intelligent answer to that than I can.

Mr. WEAVER. Gordon, do you think you could address that? Or would you need more time?

Mr. STODDARD. Probably more time. We do not think that timber is underpriced, which seems to be the gist of their testimony.

Mr. WEAVER. Underpriced?

Mr. STODDARD. Stumpage.

Mr. WEAVER. You think it should be lower?

Mr. STODDARD. No. We would like to see it that way, but the rapid escalation of stumpage prices in the last 10 years has definitely contributed to the increase in housing costs.

Mr. WEAVER. Surely.

Mr. STODDARD. We would not want to see it go much higher.

Mr. WEAVER. Yes, I agree, although, you know, all the years that I built, we always assumed that wood was going to be about 15 percent of the cost of a frame building; and it still is. So, while it has shot up enormously, it has not shot up that much more than other costs.

I do not think it is going to come down, frankly. I see the pressure on our forests building, not decreasing.

Mr. STODDARD. We are very encouraged by the emphasis on State and private forest reproduction.

Mr. WEAVER. There is no question that is where we have to go. We can do it if we make the effort and allow our citizens to make the effort. We have got to do it.

Frankly, I think this investment tax credit for planting trees that we passed here a month or so ago was probably the most important thing we have done for forestry in a long time.

Mr. STODDARD. We are very grateful for your efforts.

Mr. WEAVER. What I mean is, give somebody a tax incentive instead of a disincentive to plant a tree on some of that good

productive land that is all over this country. That could do something.

I am going to ask this question of some industry people. I have not had the time to do a study on what is going on. Why has plywood stayed up very high in price, actually going higher, and lumber very low? It just goes against everything I know about the industry right now. Do you know?

Mr. STODDARD. Probably because plywood has more of a varied use in the economy than lumber. When housing is hit hard, lumber prices would plummet faster than plywood.

Mr. WEAVER. And the plywood, of course, is used in backing and all kinds of things. But it struck me as strange. I did not realize there was that much curtailment as there is in the plywood industry. I just wondered if from a building point of view, you knew.

Thank you very much. I appreciate very much your testifying.

Could we call a panel up? We are going to try to finish the hearing before adjourning for noon. So, if we could call a panel of Mr. Richard Pardo, American Forestry Association; Mr. Boyd Rasmussen; Mr. Neil Sampson; Mr. Lonnie Williamson; and Dr. Keith Argow, I would appreciate it very much. Could you all come up?

Why don't you lead off? You are first on the list.

I will put your entire statement in the record, as I will all of your entire statements. If you could summarize, I would really appreciate it.

[The prepared statement of Mr. Resler and additional material may be found at the conclusion of the hearing testimony.]

STATEMENT OF REXFORD A. RESLER, AMERICAN FORESTRY ASSOCIATION; PRESENTED BY RICHARD PARDO

Mr. PARDO. Thank you. Actually, I am sitting in today for Rex Resler, our executive vice president, who had hoped to be here but he has been suffering from a case of bronchitis. It is his statement that I will be summarizing and that you will be inserting in the record.

Also, if I may, Mr. Chairman, I would like to insert in the record a copy of an editorial from the August 1980 issue of American Forests magazine by Mr. Resler on RPA.

Mr. WEAVER. With pleasure.

Mr. PARDO. Thank you very much. I will now make a brief summary of the statement.

Mr. Chairman, I want to thank you for your persistence in trying to achieve the full promise embodied in the Resources Planning Act. For far too long, we have been making decisions on the allocation of land and on long-term investments in the protection and management of resources in an uncoordinated, annualized, and incremental manner that is leading us inexorably into a rather dismal future of shortages and higher prices.

When the Resources Planning Act was passed in 1974 at the instigation of congressional leadership, it set into motion a long-range planning process that holds great promise if it is used effectively by the administration in power and by Congress.

Regarding the 1980 RPA, we are deeply concerned with the concept of the bounds used to define the recommended program. If Congress were to accept the bounds approach by failing to act, the

RPA process would be seriously impaired. It would amount to an amendment of RPA legislation by executive action. The statement of policy and recommended program make clear that the administration does not intend to make an explicit commitment to the future by defining that which the act requires, an explicit goal to guide both the executive and legislative branches of Government.

The bounds approach makes clear that budget formulations in the future will be guided by budget analysts on a year-to-year basis, precisely as was done pre-RPA.

We are, of course, encouraged to know that the Congress appears to be well on the road to rejecting the bounds approach, rejecting the low bounds, and focusing on the high bounds. This is the approach that we would suggest. This is essentially the substance of our statement today.

I would add that the RPA does not lock the administration or Congress either into recommending funding or Congress appropriating moneys in accordance with a specific recommended program. These options are reserved to the President and to the Congress as they consider each appropriation act.

There has been discussion earlier about some of the other alternatives. We did not go into this in our statement because our primary concern was to encourage Congress to act before the end of this session in endorsing a single bounds concept, in this case the high bound.

I would say, after listening to the testimony this morning, that, if further analysis on the citizen's alternative, which we certainly agree there should be, or something like it, would prove that it could provide more of everything, then we would certainly be all for it. If you like, we could submit at a later date some more specific comments on those 4a questions which you have raised to some of the other witnesses.

I would like to close by noting that the Society for Range Management has asked to be affiliated with our statement today. But they also intend to file a written statement of their own before the record closes. Thank you.

Mr. WEAVER. Thank you very much. Boyd?

STATEMENT OF BOYD RASMUSSEN, NATIONAL ASSOCIATION OF STATE FORESTERS

Mr. RASMUSSEN. My name is Boyd Rasmussen. I am with the National Association of State Foresters.

The current RPA assessments project that increased income, increases in population will increase the demands from forest lands and range lands faster than supplies will be available. Since the State foresters are the primary conduit for the Forest Service to help nonindustrial forest landowners, my statement is in relation to the nonindustrial forests and lands.

I will be brief. First of all, we should understand that 58 percent of all the forest land is owned by these nonindustrial owners. Of that 284 million acres, there are about 124 million acres that have economic possibilities for intensified management practices.

The assessment in turn predicts a shift in location of sawtimber supplies. I read that 41 percent came from the Northwest and 44 percent from the South and 15 percent from the rest of the coun-

try. This is today. But where it is going to be tomorrow, we are not sure.

One of the worrisome problems that we have is that, because of certain things, timberland owners, nonindustrial timberland owners, have not been reforesting their lands. I think that the tax credit will help this greatly. We have not had time to measure it.

In the South they are only reinvesting in 1 acre out of 9. So, we are faced with some cause for concern. They have problems of inadequate protection from fire, insect disease, lack of information on prices, and a variety of things.

A concerted effort is under way to expand the analysis of the State and private forest programs. We expect these studies to give a better understanding. But we certainly believe the State foresters, that the philosophy of a cooperative working with the Federal Government, delivery by the State foresters locally on the ground is the best way to go. It multiplies the dollars that are spent.

We have studied the assessment. It clearly shows that somehow these private nonindustrial lands are going to have to fill the gap. But how they are going to do it I don't know. We developed our own analysis rather than any other alternative. It is shown in the back of our testimony. We recommend goals that are considerably above those of even the high bound. We think the high bound does not answer the question of where these timber products and other products are going to come from.

We are worried about that. Our association through the State foresters and the Forest Service made an analysis in 1979 at Portland called the Portland Analysis. That is what is reflected in our chart in back, showing what would be needed. But it seems to me that we have to start in looking at the State and private forester situation to see what can be done and what should be done.

It seems to me that up to now they have been almost an orphan in view of their funding support. So, I ask that our program be submitted for the record. We have a program for 1981. We are revising it for 1982. This shows what we think could be done. But, in any case, it is going to take Federal dollars to expand the programs.

We think it is going to require the combined efforts of industry, the Federal Government, and the nonindustrial private lands if we are going to meet any of our goals for recreation, water, and timber—for all the multiple use purposes. Thank you.

Mr. WEAVER. Thank you very much, Boyd. I just could not agree with you more. We are going to have to rely on the State foresters and the areas you are talking about.

We are simply going to have to come up with some kind of crash program for the whole Nation. It is in the human breast not to realize what you have lost until you have lost it, you know. We have got to get that perception throughout the Nation so we can come up with this crash program.

Mr. RASMUSSEN. Forestry is a long-term proposal. It is hard to get any interest in planting a tree now that you may not have any harvest for 20 years or 40 years.

Mr. WEAVER. Or a hundred.

Mr. RASMUSSEN. Or a hundred.

Mr. WEAVER. I agree. But State foresters and these nonindustrial lands, we have simply got to get them out there into production. I agree.

Without objection, Mr. Rasmussen, we will insert your prepared material into the record.

[The prepared statement of Mr. Rasmussen may be found at the conclusion of the hearing testimony and the additional material submitted is held in the subcommittee file.]

Mr. WEAVER. Mr. Neil Sampson is next.

STATEMENT OF NEIL SAMPSON, EXECUTIVE VICE PRESIDENT,
NATIONAL ASSOCIATION OF CONSERVATION DISTRICTS

Mr. SAMPSON. Thank you very much, Mr. Chairman. In addition to our testimony and a pasture and range improvement report that we would like to submit for the record, I would like to briefly summarize.

Mr. WEAVER. Without objection, all your statements will be inserted.

[The prepared statement may be found at the conclusion of the hearing testimony. The report is held in the file.]

Mr. SAMPSON. I would like to talk about the process that we are going through here that has been invented by the RPA and by companion legislation, the Soil and Water Resources Conservation Act, which also is leading us through a tremendously difficult analysis of the Nation's resource situation.

Briefly, in relationship to the RPA, we want to commend the Forest Service for the job they have done. I think they took on a very difficult job and did a very commendable job with it. We want to associate ourselves with the National Association of State Foresters and the concern for the State and private forester program. We, too, represent private landowners, both those who own woodland and those who don't. There are about 3,000 conservation districts out there that try to deal with these people on a day-to-day basis. Quite frankly, the levels of technical assistance that are currently being rendered to the Nation's small private woodland owners is clearly inadequate.

It is so grossly inadequate that we are not even in the ballpark. There needs to be more attention to State and private forestry through the State foresters. There needs to be more attention through extension service, through funding of the REA. There needs to be more use of conservation districts and anybody else that is out there on the local level. Quite frankly, everybody is going to have to do more and a great deal more. I think that is clear.

We are concerned about range and rangeland and range improvements. I am currently looking at some data that suggests that our cropland requirements in this country may require the conversion of an additional 90 to 100 million acres of range and pasture and woodland into cropland within the next two decades. At very modest production figures, that is somewhere between 1¼ and 1½ billion pounds of beef a year. And that is a lot of hamburger.

So, we are looking at a tremendous confluence of demands on a resource base, not all of which are picked up in the RPA, because the RPA assumes that all that woodland and rangeland will be

there to produce wood products and to provide grazing 20 years from now. The RCA clearly assumes it will not. I think we need to understand that. We are getting a multitude of demands on a fixed resource base, which is fixed not only in quantity but in quality. We are now going to see a very historic convergence of supply and demand in regard to the natural resources in this country. It is going to make every piece of this more difficult to handle.

The RPA did not go into the wood for energy thing, to our satisfaction, nor to the noncommercial timberland issue to our satisfaction, both of which are exacerbated by the problems that are raised.

I am encouraged by the RPA and the RCA process simply because I think we can, despite the weaknesses in those appraisals and assessments, look at better data today than we could 5 years or 10 years ago. I think we are entering in, as I say, to a point where we are going to need tremendously better information. I hope that the information on the next cycle of the RPA and the RCA is considerably better for the weaknesses we have identified in this ground. And I think it will be.

I am not as interested in the programs that emerge, quite frankly. I do not think that there is an analytical linkage between acres or tons of topsoil or cubic feet of wood and the Federal programs and the Federal dollars. I think that we have to recognize that we can do a technical analysis.

More can be recommended on what the Carter administration feels it can afford to propose to do rather than what the assessment shows needs to be done. And I doubt that anything we can do to ruminate about that is going to change that situation very much.

It seems to me we want to focus in on the assessments, on the appraisals, on the resource situations, and see if we can't have an enlightened debate in this country about what needs to be done to invest in the soil and water resources of this Nation. We can talk about reinvesting in railroad tracks and auto plants and steel factories, and those are all very important. But the basic factory of this country is under our feet. And we are not doing a whole lot for it, and we need to get with it. Thank you very much.

Mr. WEAVER. You know, I just think the testimony we have heard today is excellent. I just could not agree with you more. We know the problems, and we know we are not meeting them.

I am strongly reminded of hearings we have in the Interior Committee by your testimony. Bill after bill comes through there appropriating more water for the Colorado River Basin. I just have to be the spoil sport. In every debate I always say: Hey, fellows, there isn't that water for everybody, you know, for the MX missile system, for synfuels, for the growing Denver area, for the irrigation for the farmers. It is just on and on. They all take one piece of it and say: well, there's this water for this. But they do not add it up.

When you said that confluence of everything hitting this resource base that we have, it is just going to be dynamite, and our populations are burgeoning.

This debate you are talking about, the crash program that Boyd and I discussed, all these things are going to have to come to focus and soon.

Mr. Lonnie Williamson is next.

STATEMENT OF LONNIE WILLIAMSON, WILDLIFE
MANAGEMENT INSTITUTE, WASHINGTON, D.C.

Mr. WILLIAMSON. Thank you, Mr. Chairman. I have just a couple of brief points out of my testimony.

Under the 1980 RPA program with its high and low bounds and in the absence of explicit planning goals, the inference that this program has is that Congress pick and choose to fund program elements and activities.

Taking the realistic position by suggestion that the designated market resources would receive more sympathetic funding than nonmarket resources as they have in the past, the disparity in units of output and program elements and activities is of great interest. As you will note in my testimony, the difference in the high- and low-range percentages, between the low-bound units of measure or outputs of market resources, 98 percent of the high-bound for range, the low-bound range, the low bound for the range resources is 98 percent of the high bound. For timber sales, it is 92 percent of the high bound, and so forth. You drop down into some of the nonmarket resources, the low bound is only 20 percent of the high bound. For the 5-year period you can look at it, and the results are a little different, or is very little different from that. As they say in Las Vegas, the spread is not the same between the resources. Nor is it the same if one uses a similar high-bound, low-bound comparison according to table 1 in that report and work it cumulatively up to the year 2030.

Without question, the high-bound, low-bound approach holds potential for continued serious imbalance in administration of national forest and range land. The President's RPA statement of policy, I find, is no reassurance whatsoever in the pledge that fish and wildlife habitat will continue to be protected. Habitat for all categories of animals, common, threatened, or endangered, is not being protected adequately now. We have a long way to go before wildlife habitat receives appropriate consideration in forest and range-land programs, or any other type of program for that matter.

With respect to the President's text on the recommended program, I offer a brief observation on point three, which is minerals.

In view of the repeated references to the national financial situation, economic efficiency, et cetera, I will point out that millions of dollars, approximately \$195 million for fiscal year 1979, collected from national forests and other public lands, mineral leases, royalties, and land sales are diverted annually and have been for decades to the entirely unrelated purpose of the reclamation fund. It is a paradox that the same time that renewal resource programs on national forests and other public lands are reduced or not undertaken because of funding shortages, revenues from these same lands are financing unrelated activities.

Point 4 of the President's statement deals with research. The administration's recognition of the need for studies to gain information to help protect streams and repairing habitat is encouraging. Not mentioned, however, is the urgent need to acquire information about the relationship of old-growth forest and fish and wildlife. There currently is sketchy understanding of the effect on fish and wildlife of accelerated old growth liquidation. Research is

needed but no agency is investigating this subject at more than a token level.

We urge that the committee seek some resolution of the 1980 RPA by Congress. We also urge that the committee reemphasize its desire to be provided with firm goals instead of ranges, that these be included in the 1985 update. Firm goals give the Forest Service something to report and serve as a check for field compliance.

Finally, Mr. Chairman, I want to emphasize that the production of all national forest resources cannot be maximized simultaneously with resource interests. Resources, including fish and wildlife, must give a little in order to get the highest possible practical output of all products and services. An example of our concern in this regard is program alternative 4a, as you know, based on 4, which provides for maximum wilderness acreage but decreases in timber output; 4a would maintain maximum wilderness but offset timber losses by intensifying timber management on nonwilderness lands.

The direction of this program, proposed program—and this is not a condemnation of 4a; this is showing what is happening between 4 and 4a. The direction of the program seems to be toward two land uses in the long term: timber and wilderness. Although wildlife would get a few goodies in the short term under 4a, the long-range forecasts would not be very good since neither wilderness nor intensive timber management is good for all wildlife species. This is just a point that I think we should keep in mind in trying to push the production of these lands in a mix that is not across the board: recreation, water, the whole thing. Everything has got to be kept in mind.

Balance is the key word in a multiple-use program. We encourage the committee to be mindful of that in resolving the current issue. Thank you.

Mr. WEAVER. Thank you, Mr. Williamson.

We have a real furor going on in my congressional district, where a preliminary EIS by the BLM district there has reserved 19,000 acres for 16 pair of spotted owls. I do not quite understand it. It sounds like there are other animals in the forest but spotted owls. At the least the EIS could address a variety.

I assume you do not know anything about this particular controversy, but could you comment on that?

Mr. WILLIAMSON. I think one of the problems that wildlife people throughout the ages have had is that we tend to say we do certain things for certain animals. In the beginning it was called game management because everything that was done to a piece of land to improve it for wildlife was presented in terms of deer, elk, something you could go out and have a sporting recreational time with. We did not talk in terms of spotted owls. I think possibly in your situation out there you have got this situation in reverse.

I think also that we might find that there is very little known or at least not very little but not enough known about actually what is needed for those spotted owls out there. We may be playing a game of ultraconservatism in terms of those few birds. We cannot continue to do that.

Mr. WEAVER. Thank you, Mr. Williamson.

I am very pleased to have Trout Unlimited represented here. I think that is grand. Dr. Keith Argow?

**STATEMENT OF KEITH A. ARGOW, EXECUTIVE DIRECTOR,
TROUT UNLIMITED**

Mr. ARGOW. Thank you, Mr. Chairman. It is certainly a pleasure for us to be here. We are relatively new to town, having moved our headquarters from Denver, Colo.

We are, as you know, an international organization with 18,000 members organized in 21 councils. Most of our work heretofore, and will remain probably, has been on actual stream improvement at our 250 chapters, one of which, our fastest growing chapter, I am happy to say, is in Eugene, Oreg.

Our comments this morning are shared by the American Fisheries Society, with 8,000 members. Carl Sullivan did ask that I express his regrets that he could not be with us this morning.

Mr. WEAVER. Thank you.

Mr. ARGOW. We do appreciate the opportunity, Mr. Chairman, to express the support of Trout Unlimited for Alternative 4a, as recommended in the renewable resources program. One of the advantages of sitting in the back of the room and hearing the other testimony is you hear a lot of things you wish you had said. We basically have heard many things this morning we can agree with, including points of testimony of the National Association of Homebuilders and points of testimony, particularly the fisheries section of the Wilderness Society, Mr. Kirby's comments that I would also direct our attention in backing.

The history of alternative 4a is well known to you, of course. I will not recount the many reasons for its creation. In our opinion after review, it is a reasoned, balanced approach which protects the fragile lands and emphasizes investments in timber and other commodity production on those accessible and most productive sites.

In our opinion, this is good forestry, and it is also good fishery management. The two do go hand in hand.

There are indeed an impressive array of arguments for maximizing commodity productions of our public forest lands. But there are also hidden costs as well and costs that we have not yet been successful wholly in documenting, particularly if management is not done well.

To cite an example, a trout stream that must be stocked every year because its spawning beds are choked with silt, be it from mining spoils, improperly stabilized road banks, overgrazing, or whatever the reason, or because it has waters that become too warm in the summer due to loss of shade, is also a loss to society.

We cannot truly mitigate the loss of that stream with a hatchery-grown fish, where a naturally reproduced trout, salmon, or steelhead ought to be.

We do find, in summary, that the fishery objectives of alternative 4a are reasonable and achievable in all nine regions of the Forest Service. We believe that the other renewable resource programs also are reasonable.

If we were to have any objection, it would be that 4a does not go far enough. It calls for a program about the same as the high-bound volume which, to be honest, is the minimum level we see

necessary to protect and enhance the fishery resources on national forest lands. In fact, alternative 4a only calls for completion of 60 percent of the fishery and wildlife goals recommended as a result of the cooperative planning authorized by the Sikes Act.

An additional \$25 million appropriation above alternative 4a would provide for 100 percent of the Sikes Act recommended projects to be developed in cooperation with the States. This would, of course, provide an even higher fisheries program in line with the resources available.

In summary, I would say again we appreciate very much the opportunity to testify this morning and endorse our strong support for alternative 4a.

Mr. WEAVER. Dr. Argow, I really appreciate that.

Without objection, your statement will be inserted into the record.

[The prepared statement of Mr. Argow may be found at the conclusion of the hearing testimony.]

Mr. WEAVER. We use words like enhance and development. I often think, what do they really mean. What is the most important single thing or several things we could do. I am talking about physical acts to enhance fishery within the national forests, the confines of this hearing.

Mr. ARGOW. Of course, as in any resource issue, that is a tremendously complex act all tied together. I recently came back from field studies in Idaho with the American Cattlemen's Association. We met on the banks of streams and talked about there being too many cows or too many sheep here on the banks of the streams, and it is bad for reproduction; the spawning beds are bad. And they did not disagree. They said: You get the dams out of the Snake River, and we'll arrange that.

I guess, in more specific answer to your direction, there are specific plans in the Forest Service program, particularly for the anadromous fisheries, improvement projects. There are higher planning levels for bringing fishery production aspects earlier in line to the timber resource planning, not as an afterthought but in the early planning: analysis of soils, watershed, and so forth.

Mr. WEAVER. Another committee on which I serve had testimony from northern California, from the fish and game director there. He said that once there were 6,000 miles of spawning stream in California; now there are 300.

Mr. ARGOW. That was Mr. Fullerton's testimony. That is a rather startling, I am afraid, statement of fact.

Mr. WEAVER. At that same hearing we were apprised of a problem. Later on we passed out as a bill to spend \$4 million to build a dam near the Trinity River. The dam was not for water. It was for dirt. We build a dam to keep the dirt from washing down from cut over watersheds. The Trinity was filling up to the gills, so to speak.

So, I do not know whether it is omission or commission. I would like to probe that further. I happen to believe very much in fish.

Speaking of the Snake River, when they wanted to put another big dam in the Snake River, I just asked the utility executive who was testifying in support. I said I'll be frank with you where my vote's going to come down. I said I'd just as soon have the room 6 degrees hotter; maybe you don't feel that way today because it is

kind of warm in here. But I'd rather have the room 6 degrees hotter without air-conditioning and eat that night a salmon fillet, which happens to be my favorite meal.

Mr. ARGOW. We would certainly identify with that comment, sir.

Mr. WEAVER. Several have mentioned 4a. Are there any further comments from anyone on 4a pro or con?

[No response.]

Mr. WEAVER. I appreciate very much your testifying. Thank you so much. It was very good and very helpful.

Mr. Joseph Prendergast and Mr. Derrick Crandall, together please? You represent the American Ski Federation?

Mr. OVER. Mr. Chairman, Mr. Prendergast was detained in another hearing, and I would like to speak for him.

Mr. WEAVER. Fine. We will place in the record both your testimony and Mr. Crandall's. Please identify yourself and summarize your statement.

**STATEMENT OF JOSEPH T. PRENDERGAST, PRESIDENT,
AMERICAN SKI FEDERATION; PRESENTED BY STEVE OVER**

Mr. OVER. My name is Steve Over. Mr. Chairman, I represent the American Ski Federation.

I am here today representing the over 700 ski areas in the United States. Industry and Government sponsored studies indicate that there are 14 million active skiers in the United States and another 13 million potential skiers, of which 17.3 million who are identified as having a high probability of learning to ski.

There has been at least a 10-percent increase in participation each year for the last 8 years. Despite the increase in demand, supply has been limited. In 1960 there were approximately 240 ski areas in the United States. By 1968 the number had grown to 600, an increase of 360 areas or 150 percent in 8 years. However, in the next 10 years between 1968 and 1978, only 100 new areas were built. Since 1978 only one major ski area has been brought on line. Overcrowding in existing ski area facilities is not a problem for the future; it is a real and present problem which the Forest Service is addressing by formulating maximum capacity figures for major ski areas and requiring that lift ticket sales not exceed these capacities. We have a coupon situation in a couple of areas.

It is the feeling of the ski area operator that a viable partnership exists between the public and private sector for the development of recreational opportunities on Federal land.

As an industry, we would support the highest practical expenditure on recreation by the Forest Service to meet the challenges of the 1980's to provide for greater capacity to respond to the alarming growth and demand for a quality ski experience as well as outdoor recreation. Our industry supports the growth of the private sector development for commercially oriented recreation on the national forest with risk capital.

Thank you.

Mr. WEAVER. Thank you very much. How many of your ski areas are on national forests now?

Mr. OVER. Of the areas that are on national forest land, they provide 54 percent of the national supply, over half.

Mr. WEAVER. Really. You are talking now about users.

Mr. OVER. User days.

Mr. WEAVER. Half of the users of ski areas are in national forests.

Mr. OVER. Yes, of the supply, 54 percent of it is supplied by the Forest Service.

Mr. WEAVER. You have a stake, don't you?

Mr. OVER. Yes, sir.

Mr. WEAVER. I had not realized it was that high.

You probably have a stake, too, don't you, Mr. Crandall?

Mr. CRANDALL. We do.

Mr. WEAVER. Without objection, we will insert Mr. Prendergast's statement.

[The prepared statement of Mr. Prendergast may be found at the conclusion of the housing testimony.]

**STATEMENT OF DERRICK A. CRANDALL, VICE PRESIDENT,
PUBLIC AFFAIRS, INTERNATIONAL SNOWMOBILE INDUSTRY
ASSOCIATION**

Mr. CRANDALL. We have a rather obvious stake, Mr. Chairman. Out of the some 12 million snowmobilers, people who will go out and enjoy the sport of snowmobiling this winter, a large number of them will make use of the lands that are subject to the planning process created by the RPA program.

Just as a matter of interest to you, there are some 40,000 active users in the State of Oregon. Of their activity, something like 95 percent would occur on national forest lands, simply a factor of the snow and the available terrain as well as the ownership of the land.

We do have a significant interest. It is very appropriate the American Ski Federation and the International Snowmobile Industry Association are here on a panel testifying today. We have been identified by the Forest Service and by a number of other studies as the most rapidly growing form of recreation. What has happened is that there has been a revolution in terms of the people's attitude about outdoors during the period of ice and snow. It has been a very healthy change. We have learned that we do not all have to be like bears and hibernate during the wintertime or like birds and migrate to the South. In fact, with the proper dress and the proper kinds of protection, we can have fun outdoors during the winter months as well as the summer months.

I have submitted, Mr. Chairman, for your information three documents that will be of interest to the subcommittee. One is a report on the current developments in snowmobiling, "Snowmobiling 1980," which recounts some of the highlights. The second is a factual condensation of the key trends and the key facts from sound levels on snowmobiles, which has been a subject of amazing change. For your information again, it may be of interest to you that it would take some 252 current snowmobiles all operating at full throttle to equal the sound energy of a single 1968 model. So, we have made some changes and rapid progress that we are very proud of. As a matter of fact, that has allowed us to become a co-user of the forest areas during the wintertime, sharing with Nordic skiers and others in fairly proximate situations.

Mr. WEAVER. That is interesting. Without objection, the documents will be placed in the committee file of this hearing.

How far away, given unimpeded terrain, would you have to be to not hear a snowmobile?

Mr. CRANDALL. There are many factors that influence that, Mr. Chairman. However, research done last year by the Forest Service indicates that a normal person would not detect a new snowmobile operating in a typical forest environment at a distance perhaps as close as 750 feet and certainly not at a distance of a quarter of a mile. That is a new snowmobile. We admit that there are some snowmobiles out there that we would like to see retired from use.

Mr. WEAVER. Are all manufacturers doing this now?

Mr. CRANDALL. Yes.

Mr. WEAVER. Since 1978, did you say?

Mr. CRANDALL. The new generation would be those snowmobiles built since 1976.

The interest then is very obvious in terms of our participation in RPA. We believe firmly in the RPA process. It is a good process to balance commodity and noncommodity demands. It is a good mechanism for forecasting change and for allowing response to some precipitous changes in terms of human activity patterns, as we have seen during the wintertime.

We also feel that there are some built-in dangers in the RPA process. These are things that concern us very much. The snowmobile community has been very involved in the local land use planning process of the Forest Service and, as such, has participated in forest travel plans and vehicle plans and unit plans and forest plans and regional plans and so forth. For many of those plans there is a more immediate fruit, if you will, than the RPA process. The RPA process, by its very nature, is a more centralized, a more monolithic kind of presentation which, until recently, has not really gotten a stamp of approval or reaction from the Congress. This is a concern that we have.

To the extent that the efforts of a large range of users have gone into the planning process and then it has sat on a shelf and not really been reflected in the appropriations process or in the fundamental decisions being made by the Congress, that serves as a disincentive for participation.

I also want to bring up one other point. That is the importance of the growth in winter recreation to local community stability, economic vitality. This is something that we have seen a great deal of change in, in the last few years. I know it is something that you are concerned about.

We would suggest that the growth in demand for winter recreation, the many questions concerning the changes that are occurring in the Snow Belt small communities suggest the need to create a task force of Forest Service individuals and others that would look toward how to combine these two forces in a positive way to use the growing interest in winter recreation, skiing, and snowmobiling, to help diversify the small communities throughout the Snow Belt.

We think the Forest Service is an appropriate agency to conduct that because of their presence in most States because of their heavy involvement in recreation, and finally because of the process

that has been provided to them, the RPA process, which allows the equal participation by a range of interests that probably is unequaled except in the process here before Congress.

In closing, I would like to stress that we hope that the Congress will take a posture on the 1980 assessment and report to Congress. We think that is important. It is only the Congress that can make the stakes of the game high enough to spark the participation by volunteers, particularly recreational volunteers, at the grassroots level. Thank you.

Mr. WEAVER. Thank you very much. I think it is very important to have your positions in the record because you represent, obviously, very important users of the national forest system. I think your suggestions are very good. Therefore, I appreciate your coming.

Mr. CRANDALL. Thank you, Mr. Chairman.

Mr. WEAVER. Without objection, your prepared statement will be inserted.

[The prepared statement of Mr. Crandall may be found at the conclusion of the hearing testimony.]

Mr. WEAVER. Mr. Michieli?

[No response.]

Mr. WEAVER. Mr. Tom Barlow?

STATEMENT OF TOM BARLOW, NATURAL RESOURCES DEFENSE COUNCIL, INC.

Mr. BARLOW. Thank you, Mr. Chairman, for asking me to testify. If I may submit my testimony for the record, I would appreciate it.

Mr. WEAVER. Without objection, it will be inserted into the record.

[The prepared statement of Mr. Barlow may be found at the conclusion of the hearing testimony.]

Mr. BARLOW. We are testifying in support of the Forest Service low bound proposal.

Mr. WEAVER. Low bound?

Mr. BARLOW. Yes, because of the fact that there has been no explanation on the Senate side in any of the papers prepared over there about the impacts on the private forest sector from the increase in timber supply to the high-bound levels.

The Senate heard testimony in the spring of 1979 from the Council on Wage and Price Stability that every billion boardfoot increment in supply out of the national forests would have a depressing effect on lumber prices. We feel that it is irresponsible of them not to make the tie-in to the depressing impact billion boardfoot increments will have on prices for private timber.

This has not been explained. Quite frankly, we are a little bit mystified why the professional foresters in this town who are coming out for high-bound levels of timber management in the current dialog over RPA are moving quickly to support the high bound without making any reference to the impacts this is going to have on the prices for private timber.

We all realize, everyone on all sides of this issue of timber management in the United States, that we have got to go into intensive forestry management. The logical place for the intensive management to go, from an economic standpoint, is your prime

lands. Yet, as you go into intensive forestry, especially today in the age of inflation we are in, you are putting money into that timber management and increasing amounts of money. The more money you put in for the more fiber output from the land, the less you can tolerate unfair timber selling practices by the Forest Service.

Let me say that we produced a study last summer that has been referred to earlier in testimony entitled "Giving Away the National Forests," in which we found that for the years 1974 through 1978 over half the national forests had lost money on their timber sales. About 2 billion boardfeet, by our determination, was coming into markets each year on the average during that period at below-cost prices.

The Forest Service cannot ignore the depressing impact of these volumes of timber coming into the market at below-cost prices as a discouraging factor to the private sector in the private sector's decisions about whether or not to put money into timber management, whether or not to put money into intensive timber management.

It is true that the tax incentives are going to help, but tax incentives are of no value unless the income is there. If the income is depressed, there is going to be less value in the tax rebate.

Everybody points to the high bound as offering the possibility for more technical assistance from the Forest Service to State and private forestry, but the technical assistance is going to be flailing in air unless the private sector feels that it is worth it. There is private landowner investment to be made regardless of whatever level of technical assistance Congress could possibly come up with. That private investment is just not going to be encouraged if the Forest Service puts more and more timber out on markets and more and more timber at below-cost prices.

You asked about timber mining. I have seen people working out on a piece of paper that the 50 billion cubic foot projection of demand that the Forest Service sets for the year 2030, that, if we could get lands up to 400 cubic feet per acre per year, which might be possible with the most intensive management, with hybrids on the most prime sites, you only need 125 million acres of land to produce that 50 billion cubic feet per year, harvesting 2 million acres a year on a 50-year rotation.

We have got 500 million acres in this country.

So, all our hopes for heading off shortages in the future, for getting into export markets aggressively either with log or with processed timber, is hinged on paying attention to the economics of timber management in ways we never have before.

For this reason, we strongly support the low-bound approach. Thank you.

Mr. WEAVER. Tom, I can always count on you to be provocative and take a position that is not necessarily the general run. For that, your testimony is always extremely valuable, and I thank you for it. I read your testimony. Of course, you emphasize throughout the need to replant private forest lands in this country. Of course, I think that is exactly what we have to do. That is exactly the answer.

I think, however, I disagree with you. I have not figured it out in my own mind. Your emphasis is on price being such a large factor

here. There is no question about it; if the price of wheat doubles, they are just going to raise all kinds of wheat the next year, no question about it. If it falls flat on its face, there is less wheat grown the next year. I understand that. It is a 1-year crop.

But a crop that takes 50 or 100 years to grow, a person who puts it into production, so to speak, is never going to see the fruits of it in his lifetime. I just do not think that that, you know, is going to do it.

Mr. BARLOW. Well, with technology today and with the new strains of tree that are coming along in nurseries, you can start getting a marketable fiber out someplaces in the country in 10 or 12 years. So, you do not have to wait that long.

It takes money. It takes investment. It does mean that we get more fiber out of the land. So, we should be encouraging that investment. It is the way to go.

Mr. WEAVER. Maybe, but I mean, you know, you could say: if the price doubled from here of logs, of stumpage, would that induce people to plant. Well, I can tell you, in the last 10 years, as you know, it has gone up tenfold. We have had testimony today that only 1 of 9 acres in the South is being replanted.

Mr. BARLOW. I do not think we need to go as far as encouraging the planting of timber on the basis of future projections on prices. It is true that timber prices have gone up quite substantially over the last decade. Yet, within that decade we have had two vicious downturns in timber prices. Private landowners are aware of these factors. It is another discouragement in terms of their looking to what they might do with an investment in the future, whether they want to put it in timberlands or whether they want to cut the trees and put it in soybeans.

I think of the Forest Service and the profession. And I really do believe that the profession has got to come to a cost recovery philosophy if they are going to deal with the problems of meeting demand in the years ahead. If they came out with a firm position of cost recovery, equivalency with private sector economics, of forest management, that would be a strong underpinning of encouragement to private owners to know that they, at a minimum, were not going to be undercut in the years ahead.

Mr. WEAVER. I agree with you on that. I also agree that price—I am a great believer in the market. The problem is that you do not get that return in a hundred years. If we could make some kind of return immediately—and maybe you are talking about this idea of 12 years might do it.

Thanks very much for appearing.

Mr. BARLOW. Thank you.

Mr. WEAVER. Mr. Gene Bergoffen, National Forest Products Association. I understand the conditions in which you appear. I really appreciate your coming. Thank you.

STATEMENT OF GENE S. BERGOFFEN, ASSISTANT VICE PRESIDENT, RESOURCE PROGRAMS, NATIONAL FOREST PRODUCTS ASSOCIATION, ACCOMPANIED BY MERLE E. CONKIN, MANAGER, RESOURCE PLANNING

Mr. BERGOFFEN. Thank you, Mr. Chairman. With me is Merle Conkin. Merle is manager of resource planning for NFPA. I would like to have him accompany me.

Mr. WEAVER. That is very good. Without objection, your statement will be placed in the record, if you would like to summarize.

[The prepared statement of Mr. Bergoffen may be found at the conclusion of the hearing testimony.]

Mr. BERGOFFEN. In your announcement, sir, you set two specific topics for discussion: one, the validity of the recommended program ranges; and, two, the validity of the 4a program alternative.

On the question of program ranges, we believe that the administration must present Congress with a specific recommended program. The provisions in the act are adequate to deal with future uncertainty, which has been the reason given by the administration for presenting a range.

Turning to the 4a alternative question, we understand the basic concept of this alternative is to maintain commodity outputs by intensively managing currently developed lands and thereby freeing the existing roadless lands for recreation and other noncommodity uses. This hypothesis has been debated for several years and simply has not been proven. The Chief commented on that a little earlier today.

In the RPA program, the Forest Service said the 4a alternative appears to be viable. Even this weak conclusion is qualified by an admission that there is uncertainty whether 4a timber goals can be met in Oregon or Washington, which is the major national forest timber producing region.

The important fact is that an acre of land can produce only so much output. From 1975 to 1979, the commercial forest base on the national forests declined by 7 million acres or 8.1 percent. In addition, prime timberland in that base, a standard component, declined by 10 million acres or 18 percent. Because of these trends, the Forest Service says the 1975 RPA timber goal cannot be achieved under current policies.

The assumption that more intensive management can offset declines in the land base must be seriously questioned in light of this recent history. To manage the remaining acres as industrial tree farms just is not in the cards when one considers those often-used catch words—quote—“consistent with multiple use and environmental values.”

To achieve 4a would, in essence, require dominant use.

Our conclusion is that none of the administration's alternatives are acceptable with respect to timber. None of the alternatives are responsive to the problems identified in the RPA assessment. The 1980 RPA assessment and program did not fail in terms of defining the timber demand supply problem. The program is a failure because it does not do anything about the problem. There is no sense of urgency and certainly no commitment to action now.

After review of the program and assessment in 1979, our industry set out to build a timber program which was goal oriented and

responsive to the national need identified in the assessment. The words of that goal statement are found on page seven of my statement. The first step was to define the policy ends we thought the Nation would find desirable.

Translated into timber outputs, this wood consumer goal, as compared to the administration's high bound, means that total softwood timber removal should increase by 50 percent under the wood consumer goal as opposed to the administration's 37 percent by 2030. National forest sales must increase by 45 percent by the year 2000 as opposed to 19 percent under the high bound. Industry harvest must increase by 20 percent by 2030, similar to the administration's conclusion.

Nonindustrial private lands harvest must increase by 84 percent by the year 2030 under our wood consumer goal, as opposed to the administration's 43 percent assumption.

In the long run, private lands will be the major source of timber supply, but lead time is needed to get regeneration rates on these lands increased. More than 1 out of 9 acres must be replanted.

If increases in regeneration are not accomplished and private harvest rates rapidly accelerate due to a constrained availability of national forest timber, the ability to sustain the private harvest in the long run will be seriously jeopardized.

Mr. Chairman, our industry has not developed this goal as a last-minute response to the RPA program. It was adopted by our board of directors a year ago, November, 1979. It was a culmination of industry study and debate over the last 6 years.

A more detailed description of our program is in the booklet entitled "Wood Supply Goals for U.S. Consumers," which was submitted with our statement.

Mr. Chairman, the Resources Planning Act calls for a program which is responsive to the assessment, displays opportunities for action, establishes national goals. What you have received is a program which is not responsive to the assessment. It is a no-action, business-as-usual approach and has an implied national goal of programed inflation. Such a program is unacceptable to us and, we believe, to the consumer and the Nation.

We urge Congress to reject the program and statement of policy and consider alternatives. As for the timber portion, we believe we have suggested a better option.

Thank you. That completes my prepared statement.

Mr. WEAVER. Gene, thank you very much. It is a very, very helpful statement. It is very clear. We know exactly where you stand. You support it with your own figures. It will be a very important part of this record.

I think we need to address, however, the issue raised by some other witnesses. That is that some said you would not admit, or the Forest Service and the industry would not admit that there is mining of trees going on; I am sure you would. How do you comment on that issue?

Mr. BERGOFFEN. I think the best answer will come out in the National Forest Management Act planning process in the next several years. We feel that if that process is well handled, well done, that we will be able to display with a full range of looking at economic approaches to management on the national forests, that

there is a major opportunity to produce a great deal of timber on an economic basis, with proper attribution of the benefits of that production. Most of the suggestions this morning will be proven as incorrect.

Mr. WEAVER. You don't think the problem exists?

Mr. BERGOFFEN. There is some limited amount of it in some places. We, the forest industry, have been the first to criticize the Forest Service management practice as not being based, and management decisions as not being based on, in part, economic rationale. We think they made some very serious mistakes over the years to practice extensive forestry over the full range, regardless of the site quality, rather than intensive management.

You cannot overlook the fact that you need a land base that you have that is certain and stable and you know what you are going to do over a long term. On the average, your goal should be to produce an economic return. Some part of that land base will be better than other parts of it. But on the whole we think it will prove to be a lot larger than the folks earlier had suggested.

Mr. WEAVER. What will it take for this country, the people as a society, to do the things that you say we must do, replant our private forest lands, make this kind of commitment? What is it going to take? The reason I ask this is you are asking us to cut the national forests faster, Gene. Before I can accept that, I have got to know the trees are going to be out there; and I don't know that. I look at other industrial countries, and I see their trees all gone. They have not made that commitment. They have not kept their forests up. They have not harvested them on a sustained-yield basis.

It disturbs me that we should take that enormous risk of cutting our national forests that much faster and then end up with nothing or at least very little.

How do you know? What would it take to make this kind of commitment as a nation to do what you are saying?

Mr. BERGOFFEN. I think you will see our goal and our approach to the goal-setting process looks at both public lands and private lands. There is absolutely no disagreement. In fact, I pointed out to you that we would like to see a productivity increase of 83 percent on the nonindustrial private lands by the year 2030 as opposed to 40—

Mr. WEAVER. No question. I know you are. You are dedicated to that. But how are we going to do it?

Mr. BERGOFFEN. We have in this booklet that we have shown you, we summarize what we call our program for private woodlands. We see a great opportunity and we think that an industry commitment, good organization, working with the National Association of State Foresters, soil conservation districts, and the full forestry community on a State-by-State basis with goals and commitment and action, we can get the job done. It is a big job, but we are setting about to make it happen.

On the public lands, it requires an understanding of their opportunities and a commitment to doing something about it. Once we have settled the question of how much of that land base is going to be available for timber production, we unleash the professional capability of the Forest Service to manage that land that is availa-

ble. We think you will find, based on our studies, based on experience on industrial land, that the lands that you are talking about have a fantastic site capability well beyond anyone else in the world. We will prove that it can be done and provide community stability.

Again, the proof of this will be in the NFMA planning process. We are confident about it.

Mr. WEAVER. I know you are committed to it as an industry; there is no question. But I look at the proof of the pudding: we are not planting these trees in this country. So, it concerns me a great deal.

Mr. BERGOFFEN. Well, that is true on the private lands, and we are concerned.

Mr. WEAVER. That is our main source; you know that.

Mr. BERGOFFEN. That is as of today. But we are concerned that, if you pull back from the national forests in the short term, while we solve this problem on the private lands and get them ready, you are going to put more pressure for harvest on the private lands before you can get the programs in place and assure yourself that these actions are taking place on those lands.

It is a balanced program. We are going to strive to have both sides of it completed.

Mr. WEAVER. Is it going to help if we start selling our logs to the Chinese? Does NFPA feel that? Do any shivers go down the spine of NFPA when the Chinese entered our log market?

Mr. BERGOFFEN. I am going to answer that by citing you—

Mr. WEAVER. By discretion.

Mr. BERGOFFEN. By discretion, yes.

By citing you the fact that NFPA policy is that the U.S. forest product industry supports unregulated export of all domestic forest products including logs and other raw materials and the full range of manufactured products. Our goal talks about pointing toward building the potential for international net trade surplus of forest products, the full range of forest products, over the long term. That is where we want to build.

We think that we have got the sites and the opportunities to do that and that a healthy foreign trade will be helpful to the Nation and to the communities in the long run and to the industry.

Mr. WEAVER. I have a final question, Gene. I do not know whether you can comment on this or not. If you cannot, I would be interested in some direction later on.

That is the idea that has been suggested that we take some nonrenewable income from oil and gas leasing, et cetera, and use it to invest in renewable, not just timber, of course, all the market and so-called nonmarket resources of the forest. What do you think? Can you comment?

Mr. BERGOFFEN. Basically, that is a good idea. We think that the Government, the Congress, the appropriations process, the OMB in particular, must begin to look at nonrenewable resource management as an investment and not depend on a year-by-year balancing of cash against expenditures in their economic analysis. Despite RPA and its promise—and we are not giving up on it—we still look at this program development on a year-by-year budget-driven basis.

We have got tremendous payouts, not only in dollars and community stability and for other renewable resources in the long run that we do not even count now in this year-by-year look. These roads which serve all resources, not just timber, serve those lands for many, many years out into the future. It is a disgrace to count that against this year's income.

So, this use of a funding approach—and it could even come from timber funds; they may be adequate to do a full range of multiple use work on the national forests.

There is one caveat I would like to put on that, though. The Forest Service does not have in place an effective unit cost accounting system where you can understand where the money is going with respect to timber, range, wildlife, environmental protection, planning, and the like. We have got to know where the money is going so that people have a better sense of how their revenue will be used. We just know it all goes and it is all good stuff, but we have got to get a better track on that.

Mr. WEAVER. Thank you very much. I really appreciate your coming.

Mr. BERGOFFEN. Thank you, Mr. Chairman.

Mr. WEAVER. Mr. Dan Goldie?

STATEMENT OF DAN GOLDIE, WESTERN FOREST INDUSTRIES ASSOCIATION

Mr. GOLDIE. Thank you, Mr. Chairman. I would like to be very brief. I know it has been a long hearing, time to adjourn. I would like the privilege of submitting a written statement later.

Mr. WEAVER. Without objection, you certainly may.

Mr. GOLDIE. I am Daniel L. Goldie, consulting economist, here representing the Western Forest Industries Association, which is an organization of small- and medium-size lumber and plywood operators in the Western States.

First I want to say I support fully the testimony that you have heard from Dave Stahl, the National Association of Homebuilders, Gene Bergoffen, the chief forester—that is not his correct title—from the National Forest Products Association. I would just like to augment what they said in my brief statement this morning.

I agree thoroughly that the program, the RPA program submitted by the Carter administration, ignores almost completely the problems set forth with great clarity in the assessment. It is as though the people who were working on the assessment and the people who were working on the program were different and did not talk to each other. The program bears no relationship to the assessment.

I have testified before your subcommittee before, Mr. Chairman, on the RPA. At that time I pointed out that the assessment itself, even though it points to a growing gap between timber demand and timber supply during the decade of the eighties—and they estimated by the end of the decade, 1990, the gap would be 15.8 billion board feet of softwood timber per year—that, in my view, that is an underestimate and an understatement of the problem.

We stated here that it is an understatement because it assumes that we could increase our imports from Canada of softwood lumber, where we are getting almost 30 percent of our total re-

quirements now. I have recently been in Canada checking this out to verify what I had heard before and testified to before, which is that the Canadian production insofar as their exports to the United States are concerned, have in all probability peaked; and we could expect a gradual decline in the future of Canadian lumber exports to the United States.

In addition, the assessment makes the assumption that we will get a very sizable increase in the production of softwood timber from the nonindustrial private lands of the South. You have heard a lot of testimony to the effect that very small, 1 out of 10 acres being planted, and a very substantial part of it, part of that acreage now nonproductive, and that much of it comes up naturally to brush and to scrub hardwoods instead of softwood timber; and that, unless something is done, specifically that the assumed increases in production will not be there.

Consequently, we are looking at a very substantial timber shortage. In my view, we are looking at a potential timber crunch, not unlike in magnitude or economic impact, where a vital part of the economy of the United States, to the kind of oil crunch we have been in. It is not because we do not have a forest resource in the United States. As in the case of energy so in the case of forestry, we have in the United States one of the greatest, most outstanding resources of any part of the world.

It is what we do with it, how we manage it, that is the problem. It appears that we will be facing a very serious shortage in this decade to meet housing requirements. I want to point out that housing requirements is not just an optional consumer interest, but it is one of the great social needs that every country has, one of the great measures by which you determine standard of living in a country, is the way in which its populace is housed.

We face an enormous problem and particularly during this decade of the eighties.

We heard this morning from both the Deputy Secretary of Agriculture and Chief of the Forest Service. They were talking about meeting demands but not in this decade of the eighties but way down the road. As a matter of fact, in their program figures, you don't get it year by year, what the deficit will be or what the program is. It is essentially a program that tells you how much of a gap we are going to have at the end of the decade, but you don't get it year by year.

In my view, this program is grossly deficient. I want to concur with the recommendation made by Gene Bergoffen, the National Forest Products Association, that the Congress reject the Resource Planning Act recommendations, program recommendations, and send it back to be redone, reconsidered by the executive branch.

Mr. WEAVER. Dan, as you know, the Senate put it in the appropriations bill, and it is probably going to pass. But are you aware that the Reagan administration wants to change it or revamp it?

Mr. GOLDIE. Western Forest Industries Association joins with the rest of the industry, which just resolved early this week, to request President-elect Reagan when he becomes President and assumes office, to ask that the program be returned to the executive branch to be reconsidered and redone. The Western Forest Industry Association joins in that request.

Now I am aware of the action of the conference committee of the Appropriations Committees in which they have included some language which I guess, hopefully, will be subject to some interpretation as to what it means exactly. But it would appear that it endorses the high bound, at least in a general way, the high bound program of the Resources Planning Act goals. I think I am here speaking personally as a consultant to the industry. It would appear to me that there is so much, so many problems with those programs. And you have heard a variety of criticisms from all sides today, not just from those who are concerned with an adequate timber supply and an adequate raw material base for a homebuilding industry but from all kinds of people who are discontented, unhappy with different aspects of this program.

It seems to me that a rider or a kind of an afterthought to an appropriation bill is not the way to deal with that. It ought to be dealt with in substantive hearings of the substantive committees. Given the fact that we have a new President-elect, we are going to have a new administration. He is going to be President at least for the next 4 years; that is, 4 of the 10 years of that decade. That program addresses itself to 5 years, and another Resources Planning Act assessment will be due. He has got four-fifths of that period. His administration ought to have an opportunity to review, examine, and make recommendations before it is cemented in on such a tremendously important part of the economy of the United States.

Mr. WEAVER. Dan, I think that you again articulate the position of your people very well. It is a very valuable contribution. It helps me; I can tell you that.

I have a final question to ask you. Did any shivers go down the spine of your people with the announcement of the Chinese purchases?

Mr. GOLDIE. Well, let me speak only for myself on that one, if I may, Mr. Chairman. My reaction to the announcement was that the time is now to persuade the People's Republic of China to obtain the forest products they need in a processed form—

Mr. WEAVER. May I just interrupt you there to say that you are implying there that China lacks the manpower to produce their own finished products. Do you suppose that is the case?

Mr. GOLDIE. No; as a matter of fact, I have examined rather closely the state of the forest products industry in the People's Republic of China. They do not lack the manpower. They do lack, however, modern facilities. They do not have the extensive facilities for processing. And, presumably, they will want to establish those facilities.

But we, in the case of Japan, Korea, have an opportunity to sell processed material, as indeed the Canadians do. And instead because of what I believe is a policy, we have become a great unprocessed raw materials supplier, unprocessed raw material supplier. So, the value added in manufacture inures to the benefit of those countries instead of our own.

Mr. WEAVER. Do you think that China is going to—I ask my question obliquely, somewhat, I thought, humorously. Let me put it directly.

As long as China can buy logs from us, are they going to buy finished lumber?

Mr. GOLDIE. Probably—well, I think you have to take a look again at the extent of their processing facilities. They are inadequate.

Mr. WEAVER. Let me comment on that—

Mr. GOLDIE. They may, if they decide to go with wood for construction, and it depends on their planning program and how fast they go ahead with construction, I think it is entirely possible that they will buy finished products as they used to do prior to World War II from us in addition to logs. But, if—

Mr. WEAVER. Dan, that is not the philosophy of the leadership in China right now. When I was there I went around some of the factories with the Chinese Ambassador who used to be head of the United Auto Workers Union. I can only tell you he said one very clear thing. They do not want to automate over there. That is the last thing in the world they want to do is automate. They have got more people, more workers than they know what to do with. They want to keep them busy. So, if you just got a paring knife over there and pared the log into what they want to produce, it would be all right. That is about all the capital equipment they really need in terms of equating whether they buy finished lumber or logs. Of course, they may buy some finished products from us.

But, Dan, you are skirting the issue. I absolutely believe that you are skirting the issue.

Mr. GOLDIE. Well, I will be glad to answer more directly, I believe, what you are talking about.

Given the kind of gap that I see that is reflected in the assessment, I believe that the resource requirements of the U.S. economy is on a collision course with the export of unprocessed raw material. It bothers me that we should add another area of the world to which we would be exporting the unprocessed materials as against processed materials.

I agree with what Dave Stahl said here today: It would be far better to do our exporting in the wood-products field as processed raw materials, end products rather than shortage of the basic raw material, which is going to be in such terrible short supply. It already is and will become much more so in this decade.

Mr. WEAVER. I just could not agree with you more. I am going to make log exports a major issue. It is certainly not the only issue in forest industry, no question about it; but I am going to make it a major issue in the coming months. I am going to introduce legislation on it, as the Chinese situation is ominous.

I am going to need your people's support. I don't have my glasses today and I can't see out there, but I just kind of sense the spirit of Art Smith out there someplace.

Mr. SMITH. Yes, Mr. Chairman, I wore my bright coat today so you could see me. [Laughter.]

Mr. WEAVER. He is a dear friend, and I think the company he represents is an outstanding enterprise. But we certainly strongly disagree on this issue.

I think I need the support of your people, Dan, if we are going to do anything on it. So, would you go back and discuss it with them and see what kind of front we can make?

Mr. GOLDIE. Mr. Chairman, one thing I assume you do understand is that, so long as the arrangements are what they are, so that logs are exportable as they are, then the group that I represent will have to, in order to be economic in the marketplace and be able to bid for timber and so forth, will have to engage in the same practices.

Mr. WEAVER. I understand that.

Mr. GOLDIE. In fact, it is only at such time as there is a policy which definitely at the minimum encourages the export of end products rather than raw material will the problem be resolved.

Mr. WEAVER. Until you understand that you are not going to encourage the export of finished products until you cut off the sale of logs, they are just not going to buy lumber and plywood as long as they can buy a log. They are just not going to do it. I mean, little nice gestures and things like that and PR releases—

Mr. GOLDIE. We are having another meeting. There is another meeting scheduled with the Japanese December 4 and 5, I believe. I think we ought to take a look and see what comes out of that meeting.

Mr. WEAVER. All right. Good luck.

I appreciate everyone coming. The subcommittee is adjourned. [Whereupon, at 1:33 p.m., the subcommittee was adjourned.]

[The following material was submitted and is held in the subcommittee file:]

Forests Subcommittee staff study. "A Critique of the 1980 RPA Program and Assessment," Dennis C. Le Master.

Statement submitted for the record by the American Forestry Association:

Beuter, John, excerpts from "The Timber Situation, 1977-2030: Two types of projections," Presented at the American Forestry Association's National Conference on Renewable Natural Resources, Washington, D.C. November 30 to December 3, 1980.

Hendee, John C. excerpts from "Renewable Resource Recreation in the United States: Supply, Demand, and Critical Policy Issues," prepared for the National Conference on Renewable Resources.

Conclusions and recommendations of the Dartmouth Symposium on the Resources Planning Act, August, 1980.

PREPARED STATEMENTS SUBMITTED BY WITNESSES

STATEMENT OF
JIM H. WILLIAMS, DEPUTY SECRETARY
U.S. DEPARTMENT OF AGRICULTURE

Before the Subcommittee on Forests
of the
Committee on Agriculture
House of Representatives

Concerning Oversight on the
Recommended Renewable Resources Program - 1980 Update

November 20, 1980

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE:

We are pleased to be here today to discuss with you the RPA planning process. Secretary Bergland and I share a strong interest in the long-term planning of our natural resources. We appreciate your interest and assistance in development of the 1979 RPA Assessment and 1980 Program. We welcome your comments.

With me today is Max Peterson, Chief of the Forest Service.

In his Environmental Message to Congress of May 23, 1977, President Carter directed the Council on Environmental Quality and the Department of State, working with other Federal agencies to study the "probable changes in the world's population, natural resources, and environment through the end of the century." Subsequently, these agencies issued the Global 2000 Report. The Report describes current world-wide trends in population; the availability, condition, and use of natural resources, and environmental quality. It disclosed many serious situations in the world today and even more urgent conditions that could develop by the year 2000 if present trends continue. There are signs of hope and there are opportunities to avert some of the certain problems the world faces. The Report calls for the United States to "provide leadership among Nations" and "a high priority for this Nation must be a thorough assessment of its foreign and domestic policies relating to population, resources, and environment."

Fortunately, the United States through the Department of Agriculture has several significant programs underway which respond, at least in part, to the needs identified in the Global 2000 Report. The Soil and Water Resource Conservation Act of 1977, (RCA) is being implemented under leadership of the Soil Conservation Service. The Science and Education Administration under authority of the Renewable Resources Extension Act of 1977 (RREA) is providing appropriate resource education programs, and today, we are pleased to discuss the most recent Renewable Resources Assessment and Program prepared by the Forest Service under the Forest and Rangeland Renewable Resources Planning Act of 1976 (RPA).

Secretary Bergland and I have welcomed the leadership responsibility for updating the Assessment and for developing the 1980 Recommended Program. We believe that it represents a substantial improvement over the initial 1975 RPA effort.

The 1979 RPA Assessment, the Secretary of Agriculture's 1980 Recommended Program, and the President's Statement of Policy were transmitted to the Congress on June 19, 1980.

On September 12, 1980, the technical document "A Recommended Renewable Resources Program - 1980 Update" was distributed. This Report provides detailed information on the RPA Program as well as a thorough description of the process of program development.

Together, these documents identify realistic management opportunities for improving the Nation's forest and rangeland resources. Capturing these opportunities can contribute to an improved quality of life in the United States. These are documents of realistic optimism.

On the one hand, the RPA Assessment shows that a growing population, increased affluence, and increased economic activity will increase our demands for nearly all forest and rangeland resources--outdoor recreation, fish and wildlife, timber, water, range, forage, and wilderness. It also shows that those demands will increase more rapidly than supplies if we continue our current management trends.

On the other hand, the Assessment shows that our forest and rangeland resources can meet our needs if we increase their productivity through better resource management on public and private lands.

Keys to improved management are research; the application of new technology; and a broad national effort involving private forest landowners, the States, industry, and the Federal Government.

The Secretary's Recommended Program is designed to increase the productivity of millions of acres of forest and range lands while continuing to improve environmental conditions. The Recommended Program reflects attention to a wide array of long-term goals for the Forest Service.

Compared to the 1975 Program, the Secretary's 1980 Recommended Program makes major shifts in response to the resource needs and opportunities defined by the Assessment. Greater emphasis is placed on research relative to management programs in order to accelerate improvements in resource productivity and to reduce costs in the longer-term.

Stronger emphasis is also placed on reforestation of private lands and technical assistance to nonindustrial private forest owners.

For the National Forests and Grasslands, the Recommended Program proposes increasing future supplies through additional investment and gives relatively greater emphasis to nonmarket values. It provides for water, wildlife and

fish, wilderness, recreation, wood, forage, and other benefits within a range of expenditures. The Recommended Program is balanced fiscally, in that it represents a range of options which permits flexibility to adjust to the economic outlook.

This range provides a realistic approach to long-term resource goals and to the uncertainty and constraints which the Administration and the Congress face in the next few years.

The President's Statement of Policy enunciates three important principles for planning, budgeting, and implementing Forest Service programs between now and 1985. These principles are economic efficiency, environmental quality, and social values.

In addition to these three important principles, the Statement of Policy stresses two special areas of concern:

1. First, the policy statement recognizes that the Nation's housing requirements during the next 5 years will place major demands on the forest products industry to increase production of lumber and wood products. In the long run, private forest lands are expected to become the chief source of increased timber supply; but during this decade, consideration must be given to increased supplies from federally owned lands, particularly the National Forest System. At the President's direction, the Secretary is accelerating land management planning to determine if we can increase the harvest of mature timber through departure from the current nondeclining even-flow policy.

2. Second, the policy statement recognizes the importance of the values provided by water, recreation, fish and wildlife, wilderness, and other resources. The proposed management of both timber and other resources requires continual recognition and protection of environmental values. This is to be achieved through the recommendations for expanding the wilderness system and by considering environmental values as an integral part of multiple-use management.

The Statement of Policy states that for fiscal years 1982 through 1985 and beyond, budget proposals are expected to fall within the Bounds of the Recommended Program totals. Funding for Forest Service programs will necessarily be considered in the context of each year's economic and fiscal situation, along with emerging resource needs and the demands placed on financial resources by other national goals and interests. In some areas, additional planning and analysis will be necessary to provide specific program justification.

This concludes my remarks. Max Peterson, Chief of the Forest Service, is prepared to provide you with the details of the Assessment and Program. Following his presentation, we will be pleased to respond to your questions.

STATEMENT OF
R. Max Peterson, Chief of Forest Service
U.S. DEPARTMENT OF AGRICULTURE

Before the Subcommittee on Forests,
of the
Committee on Agriculture
House of Representatives

November 20, 1980

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE:

I am pleased to share some of the details of the RPA Assessment and Program that were transmitted to Congress on June 19.

I will do this by first reviewing the significant findings of the Assessment, and the Secretary's 1980 Recommended Program.

As directed by Congress, the Assessment is primarily concerned with prospective trends in supply and demand of renewable resources; the economic, social, and environmental implications of these trends; the resource base; and the opportunities to manage and use this resource base in ways which will enhance the quality of life of present and future generations.

In preparing the supply and demand analysis, it is necessary to use a set of basic assumptions. Our assumptions indicate that population, personal income, and Gross National Product are expected to increase steadily in the next 50 years. These assumptions were derived from the work of the Bureau of the Census, the Bureau of Economic Analysis, and other Federal agencies.

Over the next 50 years, the Assessment projects a strong continuing demand for the goods and services provided by natural resources. For example:

- Outdoor recreation will increase from 60 to more than 100 percent, depending on the type of activity. Winter recreation activity, such as skiing and snowmobiling, will increase by 140 percent between now and 2030.
- Demand for grazing will rise by 40 percent by 2030.
- Lumber consumption is projected to rise from 42.7 billion board feet in 1976 to 59.9 billion in 2000 and 67.3 billion in 2030. About three-fourths of this will be for softwoods, but the hardwood share will also increase.
- Plywood consumption will increase from 20.7 billion square feet in 1976 to 34.1 billion in 2030.

--If all wood products demands are added together, the total demand will more than double--from 13.3 billion cubic feet in 1976 to 28.3 billion cubic feet in 2030. The pulpwood contribution to this total will increase from one-third to one-half.

--Wildlife and wilderness-related uses are expected to increase substantially.

The timing of increased demand is important. For instance, the timber supply situation is relatively urgent given the housing requirements projected for the decade of the 1980's and present raw material availability. Demand is expected to increase somewhat more gradually for most of the other resources. There is also some flexibility to accommodate increased demand for some resources such as recreation and wildlife within present programs although there could be some decline in quality.

Now, let us look at where all these products and services will come from. Rising prices will temper some of the projected demands, as well as encourage the private sector to produce more from its resource capability. Some of the wood products will be imported, but the great bulk of them must be produced from our domestic forest resources.

The United States has a vast land and water area, 2.4 billion acres. Of this, this, 820 million acres are rangeland and 737 million acres are forest land. Private ownership accounts for 832 million acres of the forest and rangeland--some 53 percent of the total. Fifty eight percent of all commercial forest land is in nonindustrial private ownership--that is, owned by someone other than Government or forest industry.

The Assessment's conclusion is that, while current management trends will bring about steady increases in supplies of goods and services from this forest and rangeland base, demands on this land base will increase at a considerably greater rate. Consequently, prices for many goods and services will increase.

Increasing and extending supplies of renewable resource products and services to meet projected demand is technically feasible and can be done while maintaining the forest and range environment. It will, however, require that more of the productive potential of these lands be realized and increased investments made in a variety of public and private management, research, and assistance programs.

Basically, these opportunities involve more intensive management and greater production of all resources from both private and public forest and rangeland; more effective financial and technical assistance to owners of nonindustrial private land; and research targeted to key opportunities and problems identified in the Assessment.

Now let me briefly describe the Secretary's 1980 Recommended Program.

For 1981, the Recommended Program is identical to the President's 1981 budget proposal and was based on essentially the same data. After 1981, the Program

has been constructed with a range of resource options to permit consideration of both our current economic situation as well as our longer-term resource goals. We have described this range of options in terms of its "High Bound" and "Low Bound." Specific goals and their impacts are outlined separately for each Bound. As the President's Statement of Policy indicates, it is anticipated that budget proposals for the Forest Service will fall within the Bounds of the Recommended Program totals. The program is based on economic and environmental analysis, and represents a consistent response to policy decisions at both the High and Low Bounds. It is also consistent with NEPA requirements.

The upper portion of the range reflects an earlier and greater investment to more effectively meet the longer-term rising demands shown in the Assessment.

The lower portion of the range defers some investments in response to shorter-term fiscal uncertainty and the economic outlook.

At the Low Bound, wilderness and minerals production in the National Forest System will increase. Other resource products and services will be maintained at current levels or decline slightly until 1985 and then will gradually increase. Cooperative assistance to State and private landowners will increase gradually until 2005 before leveling off. Cooperative protection from fire, insects, and disease will remain constant through 1985 at the 1981 level, and the research program will increase through the 50 year planning period, but at a slower rate after 1995. The High Bound of the Recommended Program is geared to increases in production of both market and nonmarket resources on State and private lands. In addition, future supplies would be increased on National Forests to meet a share of the Nation's needs. All phases of the program are to be supported by expanded efforts in research.

National Forest System

Specifically, the program for the National Forest System includes:

Recreation

At the High Bound, management and services for high-quality recreational experience will be provided for 20 percent more recreation users by 1985 and will nearly double current use by 2030.

At the Low Bound, management and services at the same standards will accommodate 14 percent fewer uses. However, since we don't plan to "close the gates" on the National Forests, it is possible that increased numbers of people will show up anyway. For many, this would result in a reduced quality experience.

Wilderness

Both the High and Low Bounds recommend substantial additions to wilderness areas reflecting the RARE II recommendations. The two levels demonstrate a range of wilderness options. Congress will designate the specific wilderness areas.

The High Bound recommends adding to the Wilderness Preservation System an area equivalent to all of the RARE II recommended areas and about two-thirds of the study areas by 1985. At the Low Bound, areas equivalent to the RARE II recommended wilderness acreage would be recommended by 1985. After 1985, both Bounds show an additional increase of about 1-million acres by 2030.

Wildlife and Fish

The acres of wildlife and fish habitat improvement accomplished each year will peak well before 2030. Since the benefits of habitat improvement are cumulative, not as many acres will require habitat improvement in the later years of the planning period. At the High Bound, this peak will be higher--3.3 million acres as compared to 1.9 million. Also, the High Bound peak target will be reached by 1985, whereas the Low Bound peak will not be reached until about 1995. At both the High and Low Bounds, threatened and endangered wildlife species and anadromous fish will receive special emphasis. It is important to understand that the output measure for wildlife and fish is annual acre equivalents of habitat improvement. Acre equivalents are an estimate of the area directly affected or made usable for habitat as a result of habitat improvements. The area affected is often greater than the actual area treated.

The targets in the Program decline following the early peak since only new improvements for each year are shown. If cumulative outputs were displayed, the acreage of habitat improvement would rise steeply throughout the planning period.

Range

The range program will be directed toward improving range conditions with emphasis on economical forage opportunities where the market value of added Animal Unit Months equals or exceeds their cost of production. By 2030, grazing use will be the same under both Bounds though there will be limited near-term grazing reductions under the Low Bound.

Range outputs of AUM's are below the 1975 RPA Program level; this is primarily because analyses show a much lower level of economic opportunity and capability than in 1975. In addition, competing uses of rangeland are more fully considered in the 1980 Program, and a policy decision was made to manage these lands at levels that bring range use into equilibrium with range conditions.

Water

The water quality goals specified in the Clean Water Act will be met under both Bounds. At the High Bound, we will institute some selected water-yield improvement projects in areas of water shortage.

Minerals

Substantial opportunities exist on the National Forests to develop new sources of energy and to assist in the national effort to gain energy independence. These opportunities include oil, natural gas, coal, geothermal, hydroelectric,

and wood fiber. In addition, there are significant deposits of strategic minerals including cobalt, chromium, platinum, and uranium. We currently import some of these minerals from unstable foreign Nations.

National Forest mineral resource development will increase under both Bounds, but increases will occur more rapidly and be of greater magnitude under the High Bound.

Timber

Timber sale targets are 11.9 billion board feet in 1981. Under the High Bound, timber production will rise to 12.5 billion board feet by 1985 and 16.4 billion by 2030. At the Low Bound, due to increasing real costs, a constrained budget and reallocation of land to non-timber uses, timber production would be 11.0 billion board feet through 1990, but then increase to 13.2 billion board feet by 2030.

The long-term increases from National Forest System lands will be obtained through more intensive management on the best sites, and by modifying timber sale contracts to encourage more complete utilization at harvest.

The effect of President Carter's direction for temporary departures from non-declining-evenflow is not shown in the RPA timber production levels. In response to that direction, the Forest Service has reordered its priorities for completing individual forest plans, so as to speed up planning on National Forests which have the greatest potential for increasing harvests through departures. Where the forest planning process determines that departures are appropriate, these additional departure volumes will supplement the RPA Program levels.

The targets for reforestation are 460 thousand acres in 1981. Under the High Bound the target will increase to 470 thousand acres in 1985 and to 492 thousand acres by 2030. At the Low Bound, the target will decrease to 345 thousand acres by 1985 and then increase to 420 thousand acres by 2030.

State and Private Forestry

In regard to the State and Private Forestry program, major emphasis will be placed on increased wood production. Technical assistance to nonindustrial, private forest owners will concentrate on prompt forest regeneration after harvest, as well as timber stand improvement and marketing assistance. The High Bound goal for planting assistance will increase the acreage planted by 125 percent by 1985 and more than 200 percent by 2030. Even at the Low Bound, acres reforested will be almost 100 percent higher by 1985. The number of woodland owners assisted by 1985 will increase by 60 percent over 1981 at the High Bound and by 42 percent at the Low Bound.

Although such assistance will be aimed toward increasing timber production, technical and financial help will also be available to encourage development and improved use of other resources on State and private lands.

We are also undertaking a comprehensive analysis of existing programs, various incentives, and other approaches, to determine the most effective means of increasing private land resource production. Increases in this program area depend on additional analysis of the effectiveness of existing and potential approaches that could efficiently improve productivity on these lands.

Research

At the High Bound, research, development, and technology transfer programs will be accelerated in several areas including more efficient timber harvesting and production techniques, new fabrication and recycling technologies, methods to more efficiently use wood and wood products, wood residue harvest and delivery systems, and chemical derivatives from woody biomass for energy purposes. Research emphasis will also be placed on increasing and improving the use of eastern hardwoods.

Research is believed to be a cost-effective way to increase and extend the Nation's future wood supply. For example, new construction techniques such as truss-framing developed by Forest Service scientists at the Forest Products Laboratory in Madison, Wisconsin, can result in a 25-percent reduction in the amount of wood required to build a home. Another process called "press drying" permits the substitution of hardwoods for softwood in paper making. Wood fiber production can be increased by 10-20 percent through the development of genetically improved trees.

The program includes additional research related to fish and wildlife habitat, stream protection, range management, outdoor recreation, and multiple-purpose research needed to provide an improved scientific basis for forest and rangeland management.

At the Low Bound, the research program will not fully address the initiatives discussed above; about one-half the effort will be devoted to developing new management and utilization technology. The balance of the program will be devoted to improving natural resource protection including methods for rehabilitating areas disturbed by surface mining. Progress toward these initiatives will be slower than at the High Bound.

Human Resource Program

The Forest Service will make full use of Human Resource Programs on public lands to help provide additional employment for youth and senior citizens.

The Youth Conservation Corps will be funded at \$40 million in 1981. At the High Bound, a 55 percent funding increase over 1981 will be requested for Human Resource Programs, except the Youth Conservation Corps Program which will be held at its maximum authorization. At the Low Bound, the Program anticipates reduced enrollment and discontinuation of the Youth Conservation Program by 1984.

Related Items

I have been asked to address three additional areas. They are private forest land management, the import/export situation, and herbicides. Because I have previously testified at length on these subjects before the committee, my remarks will be brief and in the nature of an update.

Private Forest Land Management

A critical finding of the RPA Assessment is that major increases in wood supplies must come from nonindustrial private lands which make up 58 percent of all commercial forest land in the United States. We project that by 2030, about half of the domestically produced softwood timber supply will originate in the South while the Pacific Northwest share will decline to about 30 percent of the total. The bulk of the increase in the South will have to come from farmers and other private owners. Nationally, the softwood supply from farmer and other private ownerships will increase from 29 percent of the total in 1976 to 41 percent in 2030.

Regeneration and other forest management practices must be improved on non-industrial private forest land if these increased harvest rates are to be achieved and sustained in the South after 2010. The Recommended RPA Program proposes increased technical assistance to private landowners, complemented by increased incentive payments, marketing assistance, and strong cooperation with the States and industry. The Program stresses analyses that assure the cost-effectiveness of actions for increasing regeneration following harvest and expanding overall supplies of wood fiber.

Import/Export

With regard to international trade in forest products, net imports amount to about 10 percent of the volume of all timber products consumed in the United States. We are a net importer of softwood lumber, wood pulp, and newsprint most of which we obtain from Canada. We are a net exporter of softwood logs and paperboard products with Japan being the largest purchaser.

We expect that softwood log exports in 1980 will amount to about 3.3 billion board feet which is substantially below the 3.8 billion board feet exported in 1979 which was valued at over \$6.9 billion. However, data for the first half of 1980 indicate that in value terms, our exports of solid wood products are over 20 percent above those in the same period in 1979. As a result of this increase, and a drop in imports, our export surplus may be close to \$1 billion in 1980. This is the first surplus in trade in solid wood products in more than 10 years. With more intensive management of our forests, we can produce enough timber to further increase our exports and maintain the high levels indefinitely.

I can also report progress in the negotiations to increase softwood lumber exports to Japan. The Japanese, in response to proposals by Ambassador Reuben Askew, U.S. Trade Representative, have agreed to a series of meetings

to discuss actions that can be taken to increase softwood lumber exports in total and as a proportion of the softwood lumber/log mix.

The first of these meetings is beginning today between industry representatives from Japan and the U.S. Another meeting between government representatives will take place next month.

Success in this effort should improve our Nation's balance of payments and permit more stable production by leveling out the cyclical domestic demand that has historically occurred as the number of housing starts rise and fall. Expanded exports in periods of low demand will also help stabilize American employment.

Herbicides

Regarding the use of herbicides, we have continued to implement a policy of integrated pest management which is aimed at both increasing the effectiveness and efficiency of our program and minimizing impacts on man and the environment.

This policy incorporates the most appropriate of all available techniques including vegetative management as well as chemical and biological controls. The use of chemicals continues to be an appropriate and necessary practice on a portion of our commercial timberlands. We are continuing our efforts to more sharply define the situations where chemical control is the best tool.

We have intensified research on methods for vegetative control, and alternatives and growth response from these actions. Studies in both the public and private sectors are underway in the search for effective and economical methods to control unwanted vegetation. In this regard, we currently have a major comprehensive program and policy study underway on pests and pesticides. Many of the difficult vegetative management problems are the result of past events such as fire or delayed reforestation. Our main thrust is to improve our ability to prevent situations where vegetative competition becomes a serious problem.

On the legal front, EPA hearings have been completed on the risks involved in the use of 2,4,5-T, and testimony on benefits will begin February 2, 1981. We will present testimony regarding supply and demand, silvicultural alternatives, and economic impacts at that time.

This concludes my formal remarks. We will be happy to answer any questions you may have.

Testimony of Dr. RUTHANN KNUDSON, Legislative Coordinator for the SOCIETY FOR AMERICAN ARCHAEOLOGY; Resource Management Archaeologist, University of Idaho; on the House Subcommittee on Forests' public hearing on the U. S. Forest Service's RPA Program, Report, Assessment, and the President's Statement of Policy - 20 November 1980

Mr. Chairman, thank you for inviting the Society for American Archaeology to comment before your Subcommittee on the Forest Service's Assessment, Report, and Program under RPA, and on the President's July 1980 Statement of Policy relative to RPA. The Society's national membership of professional and amateur archaeologists is most concerned about the Forest Service's management of the historic properties on its lands, and dismayed about the lack of comment on such a program in the documents under review in this hearing.

We understand that you have submitted to the Forest Service a list of questions about their cultural resource management program. We appreciate that, and with you look forward to the Agency's response.

Our basic position, which we believe Congress supports and should pass along to the administration, is that the U. S. Forest Service must develop a policy of affirmative management of the prehistoric and historic cultural resources under its jurisdiction. Under their multiple-use mission they should direct themselves to some enhancement of our national historic stores, and to a return to the public of information about these resources. They should not be oriented to just base-line compliance with what is viewed as a hinderance to timber production. The latter approach appears to be reflected in the documents under review here, which is a disservice to the on-going program in the Service. While we would like to see the latter considerably strengthened, it is presently much better than either the Assessment or Program, or the President's Statement, would lead one to believe.

Present scientific information indicates that America has been a

home for human communities for at least 15,000 years (as shown by the Fort Rock Cave, Oregon, materials) and perhaps for over 30,000 years. This human record has grown in geometric if not logarithmic proportions over the past four centuries. The Forest Service, in its jurisdiction over some 190 million acres of public lands, thus has responsibility for the management of hundreds of thousands of historic properties. These are a nonrenewable cultural resource base, and are a unique facet of our national heritage in that they are often on lands that have been undisturbed by agriculture or modern timber harvesting. They are a record of unusual prehistoric sites, such as those stone quarrying and collecting sites, and game kills, on the high elevations of the Rockies and the Cascades. They are a record of the natural history of the land, as reflected in the pollens, volcanic ashes, and developed soils association with time-significant archaeological remains. They are a record of the American frontier, the mining and the homesteading, and they are a record of the history of the Forest Service itself and its engineering innovations and achievements.

What are some specific historic properties on Forest Service lands? The National Register of Historic Places includes Timberline Lodge and Cloud Cap Inn in the Oregon Cascades, and the Service's Hells Canyon NRA was established largely to protect the historic properties there. In Alaska the newly established Misty Fjords and Admiralty Islands National Monuments are Service responsibilities, and were established in part for protection of included archaeological sites. The spectacular Harvey Mountain Quarry in Kaniksu National Forest, northern Idaho, with its prehistoric adits into sheer bedrock faces, is listed on the National Register. The Marble Creek area of northern Idaho forests is also in process of nomination as a National Historic District, and

includes one of the most complete records of the equipment and facilities of early twentieth century logging that we have left today. Finally, the new River of No Return Wilderness in central Idaho was established in part to preserve a rich record of mountain prehistory and history, and even areas such as the Pawnee Grasslands in eastern Colorado have a 10,000 year old record of human use of the land.

All these are a responsibility of the Forest Service. They are significant enough to merit identification on the National Register of Historic Places, and are of such outstanding scientific or scenic interest as to qualify as national monuments or parks to be administered by the National Park Service. Yet we do not want to remove them from the Forest Service jurisdiction, and we believe that they are adequately managed as part of a multiple-use effort. Thus they require affirmative Forest Service attention.

The Service presently has some hundred archaeologists and historians in the Washington, regional, and Forest offices who are beginning to collate inventories of historic properties under their jurisdiction. This information can thus be integrated into Forest planning, and the new planning regulations (36 CFR 219) specifically require that the topic of cultural resources be addressed. These professionals are able to direct field surveys of perhaps 50% of the land-disturbing activities of or assisted by the Agency. They are also trying to develop some interpretive programs to involve the public in the culture history of Forest lands, as at Chavez Pass in the Southwest. Forest Service archaeologists, particularly in the Southwest and Oregon, have been key to the development of the Archaeological Resources Protection Act of 1979, and to prosecution of vandals who pillage our national heritage.

However, this is still not a clearly identified program within the

Agency, and its lack of affirmative integration in policy is reflected in its minimal references within the documents under review here. This is also reflected by a lack of support for these programs at too many local levels. In northern Idaho, for instance, there are secretaries with five days training in history/archaeology suddenly made responsible for the conduct of field surveys and evaluations of historic properties. Many forests still have no professional staff expertise in cultural resource management. One such forest was recently given the lead responsibility for developing the new River of No Return Wilderness management plan and is having major problems finding their appropriate direction. The lack of available expertise too often means that Requests For Proposals (RFPs) for contracting archaeological investigations outside of the Agency are inadequately drafted. A poor RFP too frequently leads to an inadequate contractor and project, and an unsuitable final report that no one has the expertise to evaluate. All these cost money and leave a bad taste for cultural resource management--but it is the lack of attention to having appropriate professional backup to that management that is the problem, not the cultural resources themselves. Without affirmative direction from the top, there is little development of other attitudes throughout the system.

What do we recommend? We would like to see Congress amend the President's Policy Statement to identify cultural resources as an RPA program element. We also suggest that cultural resource management be identified as a budget line-item as Agency fiscal matters. We understand that under the Economy Act the Forest Service can use any appropriated funds to fulfill authorized activities, and the authority for cultural resource management by the Agency is clearly defined in the Reservoir Salvage Act of 1960, the National Historic Preservation Act of 1966,

the National Environmental Policy Act of 1969, Executive Order 11593, and the Archaeological Resources Protection Act of 1979. However, the lack of line-iteming of such management support is too often used as the excuse by the Forest Supervisor or Regional Director to cut back on such activities, and to keep the level of professional expertise minimal. At present cultural resource management in the Service is supported in large measure as "Recreation" (though it is not mentioned under that heading in the Report and Assessment). However, the major activity of staff cultural resource specialists at present is to provide "clearance" for timber sales--the recent budget cut in their support within "Recreation" and the concomitant increase in timber goals have created an even more impossible situation.

We believe that identification of cultural resources as a program element would be beneficial in supporting more effective activities that lead to enhancement of that resource base. Programs for the long-range identification of all Forest cultural resources (as required by E.O. 11593) need to be drafted and implemented; inventory is presently done only on a crisis/project clearance basis. Comprehensive overviews of known or potential resources and their relative significance and management needs require development, based on computer-supported predictive models, to make better use of staff expertise and planning time. Interpretive programs in appropriate areas also need development, to involve the public in their culture history and its management.

All these are addressed in some form or another in the present Forest Service program, but their lack of affirmative development (as reflected in their almost complete deletion in the documents reviewed here) is resulting in a less than cost-effective, less than protective attempt to manage our nation's cultural heritage on the public lands.

(The testimony of Dr. Knudson before the Senate Subcommittee on Environment, Soil Conservation, and Forestry, September 16, 1980, is held in the subcommittee file.)

STATEMENT OF
PETER C. KIRBY

For
THE WILDERNESS SOCIETY

Mr. Chairman and members of the Subcommittee: My name is Peter C. Kirby, National Forests Issues Specialist for The Wilderness Society. The Society is a national conservation group dedicated to the protection of America's remaining wildlands. We support the RPA process as a way of bringing greater balance to spending among the multiple uses, of better involving the public in long-range policy and budget planning for the Forest Service, and of better disclosing the environmental impacts and resource tradeoffs of alternative futures for the National Forests.

1. Alternative 4a - Beyond the RARE II Recommendations

During the public comment period many conservation groups, joined by strong citizen support in letters and hearings, generally favored Alternative 4, the alternative that would most increase NFS nonmarket outputs such as wilderness and wildlife, as modified to maintain or increase market outputs. Alternative 4, you may recall, had exaggerated the impacts of greater NFS emphasis on nonmarket outputs, for example, by recommending reduced timber management on the lands that would be available. While, disappointingly, the Forest Service did not select this popular alternative, as modified, as the recommended Program, to their credit they did develop and display this alternative in some detail in the final Program. For your convenience in comparing the two alternatives, some of the key output and budget levels are set out below. First is the recommended Program and second is Alternative 4a, so-called because of its resemblance to Alternative 4.

--Projected National Forest System Program outputs, activities, and costs--Recommended Program

Program element and activity	Unit of Measure	Base Year	Range	ANNUAL OUTPUTS											
				1981	1982	1983	1984	1985	1986-1990	1991-2000	2001-2010	2011-2020	2021-2030		
WILDERNESS Wilderness Management	Million acres	1978	High	33	39	40	41	41	42	42	42	42	42		
			Low	32	32	33	33	33	34	34	34	34	34		
RANGE Grazing Use (Livestock)	Million AUM	1978	High	10.0	9.9	10.0	10.0	10.1	10.1	10.1	10.1	10.2	10.3		
			Low	10.0	9.3	9.5	9.5	9.4	9.4	10.0	10.2	10.3	10.6		
TIMBER Programmed Sales Offered	Billion board feet	1978	High	11.9	11.9	11.9	12.1	12.2	12.5	12.9	13.7	14.9	15.8		
			Low	11.0	11.0	11.0	11.0	11.0	11.0	12.5	12.7	13.0	13.2		
Total NFS	Million dollars	1966	High	1666	2171	2243	2295	2359	2400	2500	2346	2404	2419		
			Low	1840	1842	1831	1827	1919	1852	1883	1912	1888			

Projected National Forest System program outputs, activities, and costs

Alternative 4a

PROGRAM ELEMENT AND OUTPUT/ACTIVITY	UNIT OF MEASURE	BASE YEAR	ANNUAL OUTPUTS											
			1981	1982	1983	1984	1985	1986-1990	1991-2000	2001-2010	2011-2020	2021-2030		
WILDERNESS Wilderness Management	Million Acres	1978	High	37.8	40.5	41.7	43.0	45.3	46.9	47.1	47.3	47.5	47.3	
			Low	15.3	15.3	15.3	15.3	15.3	15.3	15.3	15.3	15.3	15.3	
RANGE Grazing Use (Livestock)	Million Animal-Unit Months	1978	High	10.1	10.1	10.1	10.1	10.2	10.0	10.2	10.2	10.5	10.3	
			Low	9.9	9.9	9.9	9.9	9.9	9.9	9.9	9.9	9.9	9.9	
TIMBER Programmed Sales Offered	Billion Board Feet	1978	High	11.7	11.8	11.9	12.0	12.0	12.3	12.3	13.5	14.5	15.1	
			Low	12.2	12.2	12.2	12.2	12.2	12.2	12.2	12.2	12.2	12.2	
Total NFS	Million Dollars	1966	High	2160	2274	2341	2374	2450	2230	2114	2228	2287	2249	
			Low	1665	1665	1665	1665	1665	1665	1665	1665	1665	1665	

As you can see, the high bound for wilderness in the recommended Program is 42 million acres by 1990, on the assumption that almost all the RARE II further planning areas are designated. Under Alternative 4a, in contrast, the nation could eventually attain almost 48 million acres of NFS wilderness. And, as the alternative indicates, this increase of about 15% beyond the high bound of RARE II could be achieved with relatively little shortfall in NFS commodity levels. Livestock grazing goals are the same for both alternative. Timber sales for Alternative 4a fall in the higher reaches of the recommended Program's range, and, in fact, are only percentage points below the high bound.^{2/} Also noteworthy is that 4a costs only about as much as the recommended Program. Alternative 4a illustrates,

in brief, that Congress can go beyond RARE II in designating wilderness while assuring about the same market levels of renewable resources -- and paying no more for it.

According to the Program, the key to Alternative 4a is more intensive management of the accessible portions of the National Forests. Under this approach, the Forest Service states that the mix of outputs in 4a appears to be viable. Program at 438. The sound and carefully-crafted guidelines (e.g. on streamside management) recently adopted under the National Forest Management Act should go a long way towards obviating environmental conflicts that might otherwise arise as a result of a smaller land base from which to harvest timber.

The White Paper reiterates that Congress will make the final decision on the size of NFS wilderness. We urge the Subcommittee to recognize the RARE II recommendations as a floor not as a ceiling for Congressional action. As illustrated by Alternative 4a, Congress can establish a NFS wilderness system that is more ample, more diverse and more accessible than RARE II will provide and still attain the achievement or near-achievement of high bound RPA market goals.

As noted, the key to a workable 4a is more intensive management on the accessible, more productive NFS sites. In this respect, we support the Senate White Paper's goal of increasing NFS forest productivity to a higher percent of its potential. The increases, however, should be carried out only on lands well suited to greater management intensity and with measures that are proven environmentally acceptable and consistent with other multiple use objectives. Also, the additional investments must be cost-effective, so as not to unfairly compete with the private tree farmer who must earn a profit or draw excessive demand to the National Forests.

2/ For 1986-1990, for example, Alternative 4a calls for timber harvests of 12.3 billion board feet annually, only .6bbf below the high bound. That's less than a 5% difference.

2. Fisheries - Increased Protection

Between the draft and final RPA Program the Forest Service developed a new issue on the priority to be given fish and wildlife in NFS management. The final Program directs that these resources be given increased emphasis. Evidence of this emphasis is the Program policy that anadromous fish habitat be protected at 90% or more of its potential productivity and resident fish habitat at 80% or more of its potential. This is a welcome improvement from the 1975 Program goal of protecting fish habitat at only 70% of potential.

The Six Rivers National Forest serves as a good example of the importance of this standard. According to the "Timber Harvest Scheduling Study" of May 1979 for the Six Rivers, only a 5% decline in anadromous fish populations (resulting from a hypothesized 9% increase in delivered sediment) would result in a economic loss in value of over half a million dollars. Given the much higher sediment loads that can be expected from roading the fragile, unstable watersheds of the Six Rivers, unwise development of the now roadless areas could result in far greater losses to the fisheries resource than might be returned in timber values.

The 80/90% protection for fisheries provided in the final Program is an apt shorthand recognition of their value. We urge the Subcommittee to expressly list fisheries productivity at 90% of potential as a long-term goal for NFS management. At present the White Paper sets out specific goals only for timber and range. These goals need to be balanced (and, to some extent, checked) with the strict, quantified RPA standard for fisheries protection.

Finally, the fisheries standard is significant as an assurance that departures from even-flow sustained yield, if any are selected in the upcoming land management plans, will be environmentally acceptable. As the Subcommittee knows, Section 11 of the NFMA allows departures only if they are consistent

with all the multiple use objectives of the forest plans. If a departure would drop fisheries protection below the 80/90% RPA level, it cannot by law be selected. Since fisheries productivity is a sensitive indicator of the general health of an ecosystem, this high standard of protection will serve as an appropriate and visible limit on unwise departures.

3. Bounds - A Better Way

We share many of the Subcommittee's concerns about the use of the bounds approach in the final Program. Especially objectionable in our view is the disparity in the range of the bounds for the nonmarket elements as compared to the market goals. For trails, for instance, there is a six or sevenfold difference between high and low (e.g. for 1983, 2282 miles worked at the high bound but only 290 at the low). Fish and wildlife, soils and others suffer from comparable expenses. Commodity goals, however, have relatively narrow ranges: timber, for instance, varies only about 10% between high and low. When the budget dollars are lean, the "bounds" message is that the nonmarket elements are dispensable, second-class citizens. So too for forest planning, when the bounds eventually reach the ground level, the relatively narrow and fixed ranges for market elements will invariably give them priority over the wide, low-bottom goals for the nonmarket elements. Thus, we favor Congressional disapproval for the low board for nonmarket elements.

However, we support the view that the 1980 Program should set goals as ranges, but not meaninglessly wide ranges. There should be some flexibility when the goals are assigned to the regions and then on to the forests. The NFMA imposes some different responsibilities on the Forest Service from

"business-as-usual" with results that cannot be fully foreseen at this point. The marginal lands review is a case in point. The Forest Service expressly admits in the Program that on this critical issue which will determine the size of the land base available for harvest that it does not know how the results of the review will turn out. The values of assigning ranges, albeit narrow ones, is that there will be room for adjustment, without having to undertake a formal renegotiation of the goals. Thus, we recommend that the Subcommittee allow a 10% range below the high bound as the RPA goals to be achieved and assigned. This will provide for meaningful goal-setting while anticipating and allowing for adjustments to on-the-ground capabilities.

STATEMENT BEFORE THE
SUBCOMMITTEE ON ENVIRONMENT, SOIL CONSERVATION & FORESTRY

REGARDING THE 1980 REPORT TO CONGRESS ON THE NATION'S
RENEWABLE RESOURCES

BY PAUL SWATEK, CONSERVATION ADMINISTRATOR, SIERRA CLUB
SEPTEMBER 16, 1980

The future management of the nation's forests and rangelands is of prime concern to the Sierra Club's 185,000 members. They are active users of the full range of multiple use resources found on these lands and are especially concerned about the wilderness values on the national forests. In addition, Club members are concerned about the impacts of management decisions on other recreational uses, wildlife and fisheries, water resources, range, minerals and timber.

As you know, the Sierra Club has been involved with forestry issues consistently since its founding in 1892. The Club was an active participant in the passage of the major statutes governing management of the national forests. We commented on the 1975 RPA Program and Assessment. A copy of our June 7, 1979, comments on the 1979 draft Program and Assessment is attached. Members of our chapters and groups are actively involved with the planning processes now in progress in each region and on each national forest.

We are pleased to see the evolution of a more systematic approach to planning and management that will base decisions regarding the future of our forest and rangelands upon more accurate and complete information about the on-the-ground conditions and capabilities of the land and on a broader and deeper assessment of all of the land's many resource values. We feel that if the national targets for outputs of both the market and non-market goods and services arise more from this bottoms-up kind of planning, we will see far less abuse of the resource and fewer cases of one use adversely impacting

other uses. We believe that more sensitive management coupled with more realistic goals can enable us to better harmonize the various uses of our forests and rangelands and allow us to sustain the outputs from a healthy resource base for decades to come.

The 1980 Program is a substantial step forward in several respects. We agree strongly that the nation must look more to private and industrial forest lands to meet future growth in demand for timber. We feel it would be a terrible mistake for the nation to try to meet increasing demand for timber by rapidly liquidating the remaining old growth timber on our western public lands as the timber industry is urging. The impacts on recreational uses, wildlife, and fisheries is far too great. Furthermore, the ultimate socioeconomic impact upon dependent communities would be adverse; when supplies of timber do run out the impact will be more severe. Thus, we generally agree with the lowering of anticipated timber outputs from the national forests below the levels that were contemplated in the 1975 Program. At the same time, we are generally in agreement with the substantial increase in projected state and private forestry programs. We note with favor that even at the lower bound in the Recommended Program these programs will be expanded.

The Sierra Club is also very interested to see the development by the Forest Service of a new, modified alternative (4A) which appears to be modelled upon our suggestion that commodity outputs can be maintained near current levels, and indeed somewhat increased above them, while preserving more wilderness, by shifting funds which would have been used to build roads on more economically marginal lands to more intensive management of timber and range on already roaded lands. We note that Alternative 4A maintains a timber output level near the middle of the range in the Recommended Program while accomodating a significantly larger National Forest Wilderness System.

We welcome some movement toward our request that better quantitative goals be set for the non-commodity outputs. Particularly, we would note the recommendation that we find in the more complete description of the 1980 Program (which has not yet been released to the public) that anadromous fish habitat be managed to preserve 90 percent or more of potential and resident fish at 80 percent or more of potential. We view this kind of standard to be an essential complement to similar standards that have been suggested for commodity outputs. If we are going to establish target goals for commodity outputs as is suggested in the August 5, 1980, White Paper (90 percent of the land's potential for timber and 85 percent of potential range), then we need complementary goals for non-commodity outputs.

We also then need to improve our ability to assess the impacts of managing the resource to achieve one set of target goals on other target goals. The brief discussion of "Multiple Resource Interactions" at page 508 in the Assessment is particularly interesting. It describes how primitive our ability is to predict how compatible different resource levels are with each other. The Sierra Club followed with considerable interest the May 1979 "Timber Harvest Scheduling Study" prepared by the Forest Service for the Six Rivers National Forest in California. This study, too, attempted to look carefully at how well commodity and non-commodity output targets can be reconciled to each other within a single national forest. Hopefully, as new generations of forest plans are developed under the National Forest Management Act regulations and as the next RPA Program and Assessment are developed, we will be able to refine our understanding of how better to reconcile our competing resource output goals.

So far, I have focussed on aspects of the 1980 Program that we feel show progress. There are a number of areas about which we are concerned.

One of the most serious relates to the decision by the Administration to present a range of Program outputs. It is necessary that the Recommended Program be realistic in terms of cost. We also accept that some degree of flexibility is wise to cover a range of future conditions. However, the Recommended Program presents ranges of outputs for the various resources which vary widely from median targets. The Sierra Club is concerned that the target goals for the timber and range outputs vary over a relatively narrow range (typically ± 10 percent or less) while many of the non-commodity outputs vary by much more.

For example, the 1985 range for trail construction/reconstruction lies between 250 and 2127 miles. The effect of this target setting approach in the event of tight budgets will be to assure commodity outputs (which have lower output bounds that are fairly high) a continuation of relatively high output levels. By contrast, non-commodity outputs that have very low lower limits of projected output levels will likely be cut to save money, and the Forest Service will be able to say that even much lowered output levels are consistent with its Recommended Program. Thus, trail construction/reconstruction could be cut to only 42 percent of the 1978 base year level and still be consistent with the Recommended Program. The Recommended Program also contemplates the possibility that reforestation could be cut to 84% of the 1978 base, timber stand improvement to 68% and that the amount of Wilderness on the national forests could be as little as 33 million acres. These are all inadequate.

One can see that the 1980 Program sets target goals in a way that perpetuates one of the fundamental problems which the RPA was supposed to deal with, namely the disproportionate funding of different programs in the Forest Service budget. The President's comment in his June 19, 1980, statement of policy that "it is my intention that the Department of Agriculture manage

the National Forest System . . . with a keen sensitivity to the anticipated difficult economic and budgetary choices confronting this nation over the next several years" underscores our concerns in this regard.

The Forest Service does not make it at all clear why the 1980 Program target goals are presented in this way. We have all heard reports of the negotiations between the Forest Service and the Office of Management and Budget as the two agencies tried to reconcile the RPA Program with the President's budget. It almost appears that to keep the cost of the Recommended Program within some cost limits established by the OMB that funds had to be taken from some programs to keep the minimum output level for other programs up to a politically acceptable level. Specifically, we suspect that to keep the minimum timber harvest level up, funds had to be taken from some of the programs which show particularly low ranges of outputs. There does not appear to be a programmatically sound rationale for the low lower bounds of some of the resource outputs. It would be useful to have a report from the Forest Service that would explain the rationale behind and the consequences of some of these low lower bounds that one finds in the Recommended Program.

The Sierra Club is concerned about what we view to be an unacceptably low target for Wilderness. The upper end of the range, a 42 million acre National Forest Wilderness System, falls far short of our recommendation to the Forest Service in RARE II and short of what a feasible, realistic land allocation mix would provide. In our comments on the 1979 draft RPA Assessment and Report, we suggested that an alternative be looked at which could contemplate as much as 57 to 60 million acres of National Forest Wilderness. In developing the new, modified alternative 4A, the Forest Service has indicated that 47.8 million acres of National Forest Wilderness can be established while maintaining and increasing the level of timber harvest from the national forests.

Thus, there is clear evidence that the maximum acreage for Wilderness in the Recommended Program can be raised, as the Sierra Club and other conservationists have urged, without undue impact on commodity outputs. We believe that the 57 to 60 million acre figure is feasible and deserves further scrutiny by the agency.

The RPA outputs do not anticipate the results of the consideration of departures from the current non-declining evenflow policy. This is entirely appropriate, since the results of the forest landuse planning effort must be completed before the judgement can be made as to whether or not there should be a departure. We are concerned with statements such as that in the White Paper that "any supply identified is expected to be in addition to the volumes identified for harvest in the Program." We foresee situations in which forest level planning will indicate that the timber output assigned to a forest from the top down is too high, that the land base is not capable of producing a level of timber production contemplated when the national and regional targets were disaggregated to the forest level, at the same time meeting other multiple use objectives. This is one of the dangers we see from top-down planning. The National Forest Management Act regulations, in fact, anticipate such situations and provide that a forest may request a revision downward of its programmed cut if the land is found not to be capable of sustaining that level of cut. In such a case the regional and national targets should be corrected downward. In other words, departures may add to or subtract from the national timber output target.

Our comments on the 1979 draft asked that the Forest Service make clear what assumptions about silvicultural systems and practices underlay their alternative programs. One still has trouble clearly understanding how the national forests would be managed under the Recommended Program. It would

be very useful to have a clear statement of what could be expected to happen to rotation ages, diversity, the size of openings, how much old growth would be retained, and so forth. We do note with considerable concern the indication on page 71 of the more extensive Program document that "the minimum biological growth potential used to determine capability of land for timber production will be at least 20 cubic feet per acre per year. Regional Foresters may establish a lower standard in Regional plans." (our emphasis) This makes no sense to us. A 20 cubic feet standard is already dangerously low and is well below what most commercial timber operations would use. It has been in use for many years and certainly should not be lowered.

I have summarized some of our favorable comments about the newly released Resources Planning Act documents and some of our concerns. We look forward to receiving the more extensive Program document and having the chance to study it and comment upon it more thoroughly. Thank you for the opportunity to present our views.

Paul Swatek, Conservation Administrator
Sierra Club
530 Bush Street
San Francisco, California 94108

(415) 981-8634, also (202) 547-1141



National Association of Home Builders

15th and M Streets, N.W., Washington, D.C. 20005

Telex 89-2600

(202) 452-0200

STATEMENT OF
THE NATIONAL ASSOCIATION OF HOMEBUILDERS
BEFORE THE
SUBCOMMITTEE ON FORESTS
OF THE
COMMITTEE ON AGRICULTURE
U.S. HOUSE OF REPRESENTATIVES
ON
THE 1980 REPORT TO THE CONGRESS ON THE NATION'S RENEWABLE RESOURCES
NOVEMBER 20, 1980

Mr. Chairman and Members of the Subcommittee:

My name is David E. Stahl and I am the Executive Vice President of the National Association of Home Builders (NAHB). I am testifying on behalf of the more than 122,000 members of NAHB who employ more than 3,000,000 persons. I am accompanied today by Gordon P. Stoddard, Legislative Representative. We appreciate this opportunity to present our testimony on the 1980 Report to the Congress on the Nation's Renewable Resources.

Mr. Chairman, America is standing on the threshold of an explosion in housing demand. I am deeply troubled that we may not have the lumber available to meet this demand. At the very least, an unprecedented spiral in lumber prices will occur in this decade that will worsen the already serious problem of housing affordability, particularly for young first time homebuyers. We have grave reservations concerning the RPA Program as announced by the President on June 20. It does not recommend to the Congress a preferred short and long range program of inputs and outputs for the Forest Service, as required by the 1974 Forest and Rangeland Renewable Resources Planning (RPA) Act. It does not respond to the needs outlined in the RPA Assessment. The Program as recommended by the President will not come close to meeting the realities of timber supply and demand foreseen in this decade.

America's forests should be one of our greatest assets to meet the entire range of our renewable resource needs. Because of a lack of prudent investment and management, our public and private forests are not providing the timber and other resources which are needed by the American people. We believe that Congress should act to improve the supply of timber, to alleviate inflationary pressures on lumber prices and to promote housing affordability by drafting an adequate 1980 RPA Program.

HOUSING DEMAND AND AFFORDABILITY

Mr. Chairman, the demand for housing in the 1980s will be at much greater levels than in the 1970's. During this decade eleven million more Americans will reach the prime home buying age of

thirty than did in the last decade. The rate of family formation will be twenty-five percent higher in the 80's. This basic demographic pressure will be combined with pent-up demand that was left unsatisfied by the present severe downturn in our industry. When added to the number of families currently occupying substandard housing and the number of housing units removed from the market each year by demolition, disaster or other means, an additional 23 million housing units could be needed during the next ten years, an extraordinary demand for housing. (See exhibit A) This demand for housing would not even be met by a level of production of 2 million units per year, which has traditionally been considered "a very good year for housing."

Mr. Chairman, as you are aware homebuilding constitutes the largest single use of wood in the economy, accounting for approximately one-half of softwood production. Further, lumber and wood products make up 15 per cent of the purchase price of the median priced new single family home. The dramatic escalation in timber prices in the last decade contributed to the rise in the price of new homes. For example, stumpage prices in western Washington and Oregon rose to \$310 per thousand board feet in the first quarter of 1980 from \$30 in 1971 - a 933 per cent increase. During the same period, the price of the median new home rose to \$63,400 from \$25,200 - a 152 per cent increase.

The recently released Congressional Budget Office (CBO) study on federal timber sales and lumber prices forecasts a continuation of the timber price inflation of the 1970's. CBO projects that lumber prices will rise at an average annual rate of 13.3% in this decade. CBO notes in its study that by 1990 this nation will

have experienced two decades of average annual lumber price increases in excess of thirteen percent. Based upon CBO's projections, by 1990 the lumber and wood products in a new home which currently cost approximately \$9,000 would cost over \$36,000. The cost of wood products will have increased their contribution to the total cost of a new home from approximately 14% to 16% in 1990. If housing costs escalate at rates similar to those of the 1970's, CBO projects that the typical new home could cost \$210,000 to \$220,000. Mr. Chairman, that would pose an almost insurmountable affordability problem for most young families in our country.

NAHB has posed the question, "Where will our children live?" and is gravely concerned that this country will not be able to provide affordable housing for potential first-time home buyers in the 1980s. A recent study by the U.S. League of Savings and Loan Associations shows that the number of first-time home buyers decreased by 50% between the years 1977 to 1979, from 36% to 18% of the market. The study also showed that buyers increasingly need two incomes to afford a home. Our Exhibit B shows the impact of today's increasing interest rates on the ability of families to afford a home. At today's interest rates of approximately 14%, \$711 is needed for a monthly payment on a \$60,000 mortgage versus \$483 at a 9% interest rate. An income of \$44,448 is needed to qualify for the mortgage versus \$33,504 at a 9% interest rate.

Mr. Chairman, we fully realize that there are many factors in addition to lumber prices which are involved in the new home price spiral. But as owner of the national forests and through state and private

forestry assistance, the U.S. Government is in a direct position to influence the supply of timber and thus the cost of lumber and housing. We would urge this Subcommittee to recognize the importance of housing affordability in the development of this long range plan for forest outputs.

THE PRESIDENT'S RECOMMENDED 1980 RPA PROGRAM

Mr. Chairman, the President's recommended 1980 RPA Program has grave deficiencies. It does not recommend a definite program of outputs for five years as required by law. The Administration has sent Congress a Program that leaves wide latitude as to any national forest output in any of the next five years. Congress intended the RPA Program goals to serve as a measuring stick in their annual deliberations on appropriations levels for Forest Service programs. The high and low bounds of the 1980 Program do not provide a measure of accountability. The vagueness of this Program gives no guidance. It gives no assurances against future budget cuts. While NAHB favors fiscal responsibility, we cannot advocate cutting the budget in areas where increased outputs are anti-inflationary, and where long-term planning is crucial, such as the programs of the Forest Service.

NAHB would support maximum feasible funding for Forest Service timber sales, management, research, and state and private forestry programs. However, the RPA Program does not tell us what the maximum feasible funding is. Therefore, we believe that the high bound of the President's recommended Program is the minimum that should be spent on Forest Service outputs in the next five years. The Forest Service is administering one

of the greatest natural resources in the world. The national forest system has the potential to be a net revenue source for the U.S. government. Even now, returns to the government through timber sales and other receipts come close to meeting the expenditures of the Forest Service. Mr. Chairman, there are not many federal programs that can match this record.

STATE AND PRIVATE FORESTRY

NAHB fully supports the emphasis the 1980 Program places on increasing timber production from private non-industrial lands. The national forests can meet only part of the increased demand for softwood that is projected for the foreseeable future. With timber output from forest industry lands projected to decline in the next few years, we must turn to our private non-industrial forest lands which represent a largely untapped reservoir of softwood sawtimber. An ongoing study by the Forest Service and the Forestry Industry Council shows that 74% of the economic opportunities for increasing timber supplies in the U.S. are on private non-industrial land. Although private non-industrial land represents 58% of the commercial forest land in this country, it provides only 29% of softwood removals. This compares to the timber industry which owns 14% of America's commercial forest land but provides 38% of all softwood removals.

Private non-industrial forest land clearly offers the greatest long run potential for increasing the supply of timber for the homebuilding industry. RPA Program Alternative 4A, also known as the "Citizen's Alternative," places a greater emphasis on timber production through state and private forestry programs

than does the high bound of the President's recommended Program. NAHB supports the state and private forestry output goals of Alternative 4A. However, the projected funding levels under both the high bound and Alternative 4A will probably not be sufficient to provide the degree of incentives necessary to promote increased timber harvests from these lands. Further, the RPA does not come forward with specific and strong programs that will ensure that the state and private forestry goals are attained. NAHB was pleased when the reforestation tax credit package, which was diligently advanced in the House of Representatives by Chairman Weaver, was signed into law last month. Although this is a vital first step toward increasing production from private non-industrial lands, much needs to be done to educate owners of private non-industrial timber lands to manage timber as an investment.

TIMBER SALES

While the Program's emphasis on state and private forestry is essential and overdue, it is clear that the national forests must be relied upon for a good deal of the timber needed in the short run. NAHB is very concerned about the levels of annual timber sales called for under both the high and low bounds and in Alternative 4A. Under the high bound, timber sales would decrease from the 1980 level of 12.2 to 11.9 billion board feet in 1981, then it would gradually rise to 12.5 billion board feet in 1985. Under Alternative 4A, sales would decrease to 11.7 billion board feet in 1981 and rise to 12.0 billion board feet in 1985.

Under the low bound it would decline to 11 billion board feet in 1982-85. Based upon the projected demand for housing, even the high bound is not an adequate level of sales.

NAHB strongly supports the concept of multiple use forest management and believes that sound management requires a balance between the different competing demands on all our forests. In view of the projected high demand for housing in this decade, Alternative 4A would strike a proper balance if timber sales levels were set at least at the high bound of the President's recommended Program. The RPA Program document casts doubt as to whether the timber production goals for the national forests of Oregon and Washington can be met under 4A "if conflicts between resource outputs during the forest planning process are resolved in favor of noncommodity outputs." NAHB believes that Alternative 4A needs a stronger commitment to national forest timber production. However, we emphasize that 4A is an alternative that deserves serious study by the Congress.

In regard to departures from the nondeclining evenflow policy, under the recommended Program timber made available by departures may not result in an addition to the aggregate supply of timber. NAHB would question the wisdom of departures that do not serve to increase aggregate production. We strongly believe that timber harvested through departures should be in addition to harvests that would take place under the high bound. Further, it is disturbing that the Forest Service cannot estimate how much and what kind of timber can be obtained through departures from the even-flow policy so that better planning could be done

for meeting demand in this decade.

LOG EXPORTS - THIRD PARTY SUBSTITUTION

In 1979, log exports reached a level of 3.8 billion board feet. This volume of timber would have provided enough lumber for over 320,000 new homes. It represents a 50% increase over the level exported in 1975. There is evidence that the practice of third party substitution of national forest timber for private exported timber is contributing to the rise in log exports. A report by the Northwest Independent Forest Manufacturers (NIFM) estimates that 200 million board feet of timber is exported annually through this loophole. Direct exports of Federal timber and substitution of Federal timber for private exported timber are prohibited by law. The law was meant to also preclude substitution by third parties. However, the Forest Service has not interpreted the law to do so. Due to the impending shortage of private stumpage in the Northwest, the third party substitution practice could grow and have a negative impact on the supply of timber for domestic processing.

Log exports have likely contributed to the inflationary spiral of national forest stumpage prices. Since 1970, national forest stumpage prices for Douglas fir from the west side of Oregon and Washington have increased by over 915%. Since almost one-third of our log export volume is made up of private Douglas fir, the demand for Douglas fir in the export market has most likely increased the pressure on the national forests to provide Douglas fir for domestic mills, serving to bid up the price of this species of timber which is of prime quality for homebuilding.

The issue of log exports is a major policy question that the Forest Service is required to address by the 1974 RPA Act. It is not clear that the present restrictions on Federal log exports are adequate. Because the Forest Service does not have the data "available" to confirm that the practice exists does not mean that it is not occurring. The Forest Service should be required in a revised Statement of Policy to conduct a thorough and conclusive study of the issue and make recommendations for necessary changes.

CONCLUSION

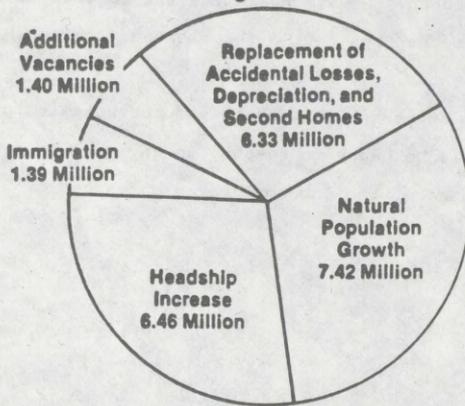
The United States has a unique and valuable natural resource in its forest land. National self-sufficiency in renewable resources should not be a dream for this country--it should be a reality. The RPA offers a unique opportunity for Congress to set this nation on a course towards reaching self-sufficiency in its renewable resources. Our national forests will require major investments in order that they may provide more timber products in this decade, but these investments will pay off in future increased revenues to the Treasury. Further, an increased supply of timber will result in lower prices for wood products. Lower lumber prices would help lessen our present serious problem of housing affordability. Increased timber supplies will mean that the environmental pollution and high energy consumption associated with the use of substitute building materials such as steel and plastic will not be as great.

In conclusion, NAHB believes that the high bound of the President's recommended Program is the minimum necessary for national forest timber sales. Alternative 4A's goals for reforestation and

timber stand improvement on the national forests and for state and private forestry are an improvement over the President's recommended Program. We strongly urge the Congress to consider alternatives to the President's recommended Program which reflect the demand for housing in this decade.

Mr. Chairman, thank you for this opportunity to present our views. We would be happy to respond to any questions that you or the other members of the Subcommittee might have.

Total Demand for Housing in the 1980s 23 Million Units



Housing Demand in the 80s

The total demand for housing in the 1980s is expected to be 23 million units (including mobile homes).

Natural population growth is expected to account for a demand of 7.42 million units.

Another 6.46 million in demand is expected to come from an increase in the headship rate. The headship rate is the ratio of the number of households to the total population. This rate is expected to increase as the number of people in the 15-24 age group declines, and the 25-34 and 35-64 age groups (who are more likely to form households and buy homes) are increasing at record rates.

Household demand from newly arrived immigrants is expected to total 1.39 million over the

decade.

With all of these new households, the housing market will need additional vacancies to provide adequate flexibility of the movement of people in and out of units. This demand is estimated at 1.40 million.

And finally, we estimate that 6.33 million units will be demanded for the replacement of accidental losses, depreciation, and second homes.

Taken all together, this means that we must produce 2.3 million units per year to satisfy America's housing demand. When housing production drops to the low level predicted this year, we fall further behind in trying to achieve this goal.

Exhibit B

AFFORDABILITY: BASED ON A 30 YEAR TERM, \$60,000 MORTGAGE

<u>Interest Rate</u>	<u>Monthly Payment</u>	<u>Housing 1 Expenses</u>	<u>Annual Income Needed to Afford</u>	<u>Number of Families Who Can Afford*</u>	<u>Percent of Families Who Can Afford</u>
9	483	215	33,504	11,786	20.6
10	527	215	35,616	10,528	18.4
11	572	215	37,776	9,212	16.1
12	617	215	39,936	7,896	13.8
13	664	215	42,192	6,523	11.4
14	711	215	44,448	5,207	9.1
15	758	215	46,704	3,833	6.7
16	807	215	49,056	2,403	4.2
17	856	215	51,408	1,831	**
18	904	215	53,716		**

1 Insurance, taxes, utilities

2 Assumes 1/4 of income goes to total housing payment

* in thousand

** less than 3.2%

Source: NAHB Economics Department



1319 Eighteenth Street NW Washington DC 20036 telephone (202) 467-5810

Subcommittee on Forests
Committee on Agriculture
U.S. House of Representatives

A statement by

Rexford A. Resler
Executive Vice President

November 20, 1980

Mr. Chairman, my name is Rexford A. Resler. I represent The American Forestry Association, a citizen's conservation organization of some 80,000 members located in every state of the Union and many foreign countries. For 105 years, AFA has been working to improve the protection and management of the nation's natural resources. We believe it is imperative that we satisfy existing and growing future demands in ways that are both environmentally and economically sound. To pursue either goal at the expense of the other is not simply poor public policy; it is suicidal.

Mr. Chairman, I want to thank you for your persistence in trying to achieve the full promise embodied in the Resources Planning Act. For far too long, we have been making decisions on the allocation of land and on long-term investments in the protection and management of resources in an uncoordinated, annualized, and incremental manner that is leading us inexorably into a rather dismal future of shortages and higher prices. When the Resources Planning Act was passed in 1974 at the instigation of Congressional leadership, it set into motion a long-range planning process that holds great promise if it is used effectively by the administration in power and by Congress.

Publishers of AMERICAN FORESTS

This is the only means available to us for rationally and systematically assessing our current situation, projecting future needs and opportunities to satisfy those needs, and then charting a course that is most likely to achieve the kind of future that we want for ourselves and for future generations. It is imperative in my view that we make the RPA process work, and we do it now. Otherwise, it will lose credibility and fall of its own weight.

The 1980 assessment is significantly improved over the 1975 product. I wish to commend the Forest Service and the Administration for improving both the quality of data presented and the clarity of that presentation, but we are not satisfied with the conclusion contained in the Recommended Program.

The Resources Planning Act requires the President to present a definitive statement of policy and to recommend a program defining the course of action it intends to pursue in the ensuing five-year period to guide policy and budget decisions. The Carter Administration's Statement of Policy and Recommended Program was transmitted to Congress six months late and is, in my view, seriously deficient.

We are deeply concerned with the concept of the "bounds" used to define the Recommended Program. The "lower bound" defines a no-growth option for the 1981-85 period. The "upper bound" describes a very conservative program for the future which, if followed, would result in significant gaps between supply and demand by the year 2030.

We have been told that the "upper bound" was the recommended program of the Department of Agriculture and no doubt would have been accepted by the White House except that the Office of Management and Budget prevailed in its effort to "preserve options." Thus the so-called Recommended Program is in fact no program at all; it is an obvious charade.

If Congress were to accept the bounds approach by failing to act, the RPA process will be seriously impaired. It would amount to an amendment of the RPA legislation by executive action. The Statement of Policy and the Recommended Program make clear that the Administration does not intend to make an explicit commitment to the future by defining that which the Act requires--an explicit goal to guide both the Executive and Legislative Branches of government. The bounds approach makes clear that budget formulations in the future will be guided by budget analysts on a year-to-year basis, precisely as was done pre-RPA.

The President states that "the 1980 program recommended by the Secretary of Agriculture is presented as a range and will be used to guide budget proposals, land management planning,

and other government actions." I do not believe that a range will effectively guide land management planning as required by the National Forest Management Act, nor does it provide much of a clue as to future government plans. I would add that the RPA does not lock the Administration or Congress into either recommending funding for or Congress appropriating monies in accordance with the specific recommended program. Those options are reserved to the President and to the Congress as they consider each appropriations act.

We believe it is essential that Congress react to the Statement of Policy and Recommended Program, hopefully in the remaining days of the 96th Congress. To do so in the short timeframe available, it appears that the "upper bound" offers the soundest and most logical program, since it was the product of the public involvement process and the Department's analysis of options. To select another alternative at this late date would seem to jeopardize any realistic opportunity for congressional action. It is our view that a congressional response to the "bounds" description of a program is essential as a means for reasserting congressional intent.

I would also urge Congress to make it clear that the approved program, i.e., the upper bound, should not be perceived as a constraint in the land management planning process. I believe the Forest Service should have clear direction as it develops the first cycle of land management plans (Sec 6, NFMA) to assess the potential capabilities of the land without budgetary constraints or prior administrative decisions in existing land use plans on the allocation of lands and resources. If this were done, in 1985, the Forest Service would be in a much stronger position to display the full range of resource options. We would be developing an objective data base on which subjective decisions could be made in the 1985 RPA.

I would like to comment on a process I see evolving that disturbs me. Both the Resources Planning Act and the Resources Conservation Act should be an objective assessment of the situation on the forest, farm, and rangelands of the nation. The projections of supply and demand should be the most competent that can be devised. The alternatives should be displayed with clinical objectivity and be as completely uninfluenced by budgetary considerations as is possible. The analysis of cost and benefits should be similarly objective, using the latest state-of-the-art analytical techniques, and with their limitations clearly defined. With that kind of antiseptic data base, then subjective judgments may be applied and, of course, should be applied. With that sequence of decision-making, I have no problem whatever. What I am concerned about is a movement in the direction of department and OMB analysts being unduly involved

in those early analytical phases. I am concerned with the prospect that subjective judgments are being applied too early in the analytical process as a means of predetermining conclusions. I fear in the long run that the RPA and RCA analytical processes will be "captured" by budget analysts using the rationale that they must understand the data base and analytical assumptions. I have no problem with the analysts being kept fully informed and with advising on the adequacy of analytical tools, but I object strenuously to the imposition of subjective judgments prematurely in what should be an objective analytical process.

I think the Forest Service and the Soil Conservation Service should have the analytical talent to accomplish that phase of the process in an objective and sophisticated fashion, and they should be held accountable for the quality of the end product. The Presidential Statement of Policy and the Recommended Program should be based on the same data that will eventually be presented to Congress. In the absence of objective analysis of resource capability, the credibility of the end product will suffer. I am not suggesting that the agencies be given a blank check to propose what they will in the way of programs and budgets. I am suggesting that there is a logical separation between the analysis of options and the subjective judgments for which our elected leadership and their appointees are responsible. More specifically, I do not wish to see the RPA and RCA analytical process consolidated, presumably for reasons of efficiency, in the Department of Agriculture.

Thank you for the opportunity to present our views on the 1980 RPA assessment and program. I strongly urge that both Houses of Congress move as expeditiously as possible to amend and/or supplement the Presidential Statement of Policy and Recommended Program. Failure to do so will seriously undermine the credibility of the RPA process and plunge us again into a competitive arena in which every person, every interest, must fight for survival. The real losers will be future generations.

I would like to close with a comment on a related matter. The Renewable Resources Extension Act (PL 95-306) was enacted in 1978, but has yet to be funded. One of the broadly recognized needs to bring about improved management of forest and rangeland in private ownership is technical assistance. The Administration has not requested funding for PL 95-306 since the President signed the Act into law.

It is our hope that Congress will appropriate the full authorization of \$15 million for FY 81 in the Agriculture Appropriation Bill. Your support would be greatly appreciated so we can commence to implement the plan which has been approved by the Secretary of Agriculture.

#

HOW CAN YOU PLAN WITHOUT GOALS?

The White House hedged its resources—
planning bets—and we may all end up losers

by Rexford A. Resler
Executive Vice President
The American Forestry Association

ON JUNE 19th, President Carter transmitted to Congress his Statement of Policy, an Assessment of the Nation's Renewable Resources, and the Secretary of Agriculture's Recommended Program for Forest Service activities as required by the Forest and Rangeland Renewable Resources Planning Act of 1974. This action is the culmination of a complex, Congressionally mandated process.

The Resources Planning Act directs the Secretary of Agriculture to make periodic assessments of the condition of the nation's public and private forests and rangelands. He is supposed to determine not only their present condition but also their potential capability to satisfy the nation's needs. Simultaneously, the law requires an analysis of probable future demand for all resource uses, goods, and services as a basis for determining what courses of action should be pursued during a long-range period of 50 years. This is an extremely complex and expensive analytical process designed to provide information for decisionmakers who must determine how the nation can both protect and manage its renewable natural resources. The Presidential Statement of Policy and the Recommended Program provide explicit guidance to Congress as to what levels of goods and services should be provided and at what cost. Congress can then either concur with the President's recommendations or revise them. The RPA process is also intended to tell the Forest Service how to guide its own land-management planning process—defined in the National Forest Management Act—which should determine how land and resources are to be allocated, used, and/or protected.

The Administration's recommended program, however, says that it "offers a broad spectrum of options." It is described in terms of two bounds: a high bound and a low bound. The low bound can be characterized as the status quo; the high bound as a more optimistic level of outputs. Instead of setting explicit goals for each of the first five years and a clear objective for the long-range planning horizon to the year 2030, the ranges, or "bounds," are so broad that they are nearly meaningless—to Congress, to the agency, and to those who are trying to discern where we are headed. The options are indeed "preserved"—preserved to the discretion of the

budget and political analysts, who can continue making annual decisions based on short-term economic and political considerations. This is precisely what they did *before* the Resources Planning Act was passed in 1974. Overcoming that annual, incremental decisionmaking process was the reason Congress passed the RPA.

We can understand the desire of an administration to avoid long-range commitments for expenditures of federal funds. However, the federal government owns one-third of the land base of the United States, and clear direction on how the land is to be used is essential. In addition to all of the benefits that flow from these lands for recreation, wildlife and fisheries habitat, water, and open space and solitude, they also hold vast quantities of natural resources—energy, minerals, timber, and forage. Unlike nearly all other federal programs, these resources generate revenues in the billions of dollars—directly and indirectly. No private or corporate landowner would even think of managing such valuable property *without explicit goals*—goals for investments and for production of goods.

Congress will probably disagree with the Administration's "bounds" approach. Senator John Melcher (D-MT), Chairman of the Senate Agriculture Subcommittee on Environment, Soil Conservation, and Forestry, has stated that the 1980 RPA Statement of Policy and Recommended Program "violates the spirit and intent of the law." Congress now has the option either to accept the proposal or to modify it by resolution of either house or preferably by joint resolution. We believe that hearings should be conducted and that Congress should attempt to define an explicit program to guide natural-resource policies and programs for the future.

AFA, working with a number of conservation and user groups, will co-sponsor a National Conference on Renewable Natural Resources in Washington, DC, on November 30 to December 3. The objective will be to search for agreement among a wide array of interests on the major national policies and programs that are needed. We must insure that this nation enters the 21st century with confidence in our ability to satisfy our needs for natural resources in ways that are environmentally and economically sound. ■

STATEMENT OF THE NATIONAL ASSOCIATION OF STATE FORESTERS
Before The
House Agriculture Subcommittee on Forests
November 20, 1980

My name is Boyd Rasmussen--here as spokesman for the National Association of State Foresters.

We would like to express our appreciation to Chairman Weaver for his commitment to the Resources Planning Act process and for the opportunity to appear here to discuss this matter of great significance to the nation.

The current RPA Assessment projects that expected increases in population, economic activity, and income will increase demand for products from forest and range lands faster than supplies become available under current management levels. The adverse effects associated with this outlook are not inevitable, however, because the Nation has a huge land and water base from which to draw renewable resources. Production is far below potential. Opportunities exist to greatly increase production from forest and range lands; enough to meet projected demands for nearly all renewable products.

The National Association of State Foresters favors maximization of forest resource outputs from all forestlands of the Nation as consistent with good stewardship practices and the protection and/or enhancement of multiple resource values whether public, industry or privately owned. Since the State Foresters of the Nation offer the primary source of help to the private nonindustrial landowner and serve as the conduit for public programs designed to assist and/or motivate private landowners to manage their forest lands, the major thrust of this testimony will be concerned with the private nonindustrial landowner and programs designed to assist and/or motivate him to manage his lands in such a way as to meet projected national needs.

Fifty-eight percent of all U.S. forest land is owned by nonindustrial private owners. The opportunities are good on these lands for intensifying management and increasing production of all forest resources: recreation, wildlife and fish, range, and water, but the most significant need is for expanded timber production. Of the 284 million acres of nonindustrial private forest land, 124 million acres contain economic opportunities for intensified management practices.

The Nation's commercial timber base is shrinking. Publicly owned supplies are becoming more expensive and difficult to harvest as a result of access limitations and withdrawals for non-timber purposes. Industry owned supplies are expected to level off. Meanwhile, timber demands keep increasing. The result is that timber prices have increased substantially and are expected to continue increasing faster than inflation. The Assessment projects significant shifts in softwood saw timber supplies among ownerships. Future increases must come primarily from nonindustrial private forests. The share from these lands must increase from 29 percent of the total in 1976 to 41 percent in 2030 to meet projected demands. In other words, the Nation needs a 40 percent increase in timber output from nonindustrial private lands.

The National interest favors increasing supplies to reduce imports and to dampen future price increases in lumber and wood-based products. The anti-inflationary effect of moderating wood prices is of obvious value under existing economic conditions as is also competitively priced products for trading in international markets.

Although timber is being sold from nonindustrial private lands, less than 1/3 of the harvested land is being returned to softwoods because of investment problems for landowners. In fact, landowners in the South are reinvesting in forestry on only one acre of every nine harvested. The problems encountered by landowners include: inadequate protection from fire, insect and disease, lack of information on prices and investment opportunities, the long-term nature of forestry investments, small ownerships, lack of adequate technical advice, lack of cash flow, and unfavorable tax treatment for forestry investment.

FEDERAL-STATE COOPERATIVE PROGRAMS

The Federal-State cooperative forestry programs are directed at mitigating the forestry investment problems of nonindustrial private landowners. We know from experience that market forces alone will not assure adequate management of these lands. Analyses show that the Federal-State programs under the Cooperative Forestry Assistance Act are an effective means of achieving National timber objectives at low public cost. These programs provide technical and financial assistance in all aspects of forest land management, protection, and forest products utilization. The landowner is assisted in managing his land for the total range of forest resource values, including wildlife, recreation, water, scenic, and environmental values--as well as fiber production.

A concerted effort is now underway to expand and intensify analyses of the cooperative forestry programs. We expect these studies to improve our understanding of the most cost effective ways of providing forestry assistance. As new program strategies, such as tax treatments and loans become available and are tested, they can be meshed into ongoing programs, replacing or reducing those less effective.

The State Foresters like the Federal philosophy for delivering forestry assistance to nonindustrial private landowners. Rather than build an extensive Federal force, the USDA Forest Service supports State organizations to provide forestry assistance at the local level. This serves to strengthen the State forestry agencies while combining the efforts of the different levels of government. I would like to emphasize that any increases in appropriations for the cooperative forestry programs would go primarily to the States for program implementation rather than to Federal administration.

It is also important to note that the dollars shown with RPA program levels are Federal funds only. Not shown are the non-Federal investments that are induced by Federal funding of the cooperative forestry programs. States are required to at least match the Federal contribution for most of the programs. Many States contribute far more than the required amount. Landowners must provide at least 25 percent of the cost of reforestation and timber stand improvement to participate in the incentives program.

PROGRAM RECOMMENDATION

We have studied the Assessment and it clearly shows that nonindustrial private forest lands will have to fill the timber gap. However, the RPA Recommended Program for State and Private Forestry programs is not fully responsive to this need. The National Association of State Foresters has developed a program that is responsive, yet low cost and efficient.

May I take just a moment, Mr. Chairman, to explain how we arrived at the budget levels in our program.

In July of 1979 in Portland, Oregon, the National Association of State Foresters participated in a meeting with top professionals of the U. S. Forest Service to begin the development of a program which would be responsive to the 1979 Assessment, particularly as relating to the nonindustrial private forest landowner. Needs and opportunities responsive to the Assessment and collected from the State Foresters of the Nation had been aggregated by U. S. Forest Service professionals and were available to us at that meeting. The National Association of State Foresters responded to the Assessment following this session in a document entitled, "National Association of State Foresters Cooperative Program Response to the 1979 RPA Assessment". Mr. Chairman, I ask permission to file this document for the record at this time.

Following the Portland meeting the National Association of State Foresters adopted its "1981 - 1985 Program of National Association of State Foresters". We consider this program to be responsive to the Assessment, public comment, findings of Regional and National nonindustrial private conferences sponsored jointly by the U. S. Forest Service and National Association of State Foresters and the State Foresters judgement of practical viability. Budget levels in the program, while not identical to those contained in the previously mentioned "Response" document are as adjusted by the Executive Committee of the National Association of State Foresters and are so close to the Portland program budget levels as not to require separate justification. Mr. Chairman, I ask permission to file this document for the record.

I would like to summarize for you now, in terms of the respective cooperative programs, the program recommended by NASF. I would also like to submit for the record a table that displays the costs for the NASF program and a graph that compares these costs with those of the RPA Recommended Program.

Forest Insect and Disease Management

Increased assistance would be provided for efficient management of forest insects and diseases. This program includes forest pest management on National Forest and other Federal lands as well as on State and private lands. Integrated pest management strategies will be stressed with particular emphasis on spruce budworm, gypsy moth, bark beetles, Douglas-fir tussock moth, and dwarf mistletoe.

Detection and evaluation surveys would increase from 460 million acres in 1981 to 635 million in 1985.

Proposed funding of this program is for 33 million in 1981 rising to 41.6 million by 1985.

Rural Fire Prevention and Control

Intensive fire protection would be provided on wild lands, high-value watersheds, managed plantations and other valuable lands, especially where they border urban areas. Fuel management activities would be emphasized, and the number of acres burned should be held to 1,800,000 in 1981 dropping to 1,720,000 by 1985. This is an "insurance" program to help protect the public investment in State and private forest management.

The recommended funding is \$40 million in 1981 rising to \$47 million in 1985.

I would like to make the additional comment here that the NASF considers this to be the weakest response to the Assessment in the RPA REcommended Program for State and Private Forestry. Protection of private forests from wildfire is unquestionably a responsibility of the public sector. It appears almost ludicrous that at a time when the Nation desperately needs landowners to invest in reforestation that the program submitted to the Congress by the Administration would significantly weaken the only program offering protection for that investment from the ravages of wildfire.

Rural Forestry Assistance

Increased assistance would be provided to landowners for forest management and to loggers and processors for improved wood utilization. The emphasis will be on increased timber production, but improved management of related resources will occur simultaneously. A key to improved forest management is the one-on-one technical assistance by foresters in preparing, implementing, and updating individual forest management plans that reflect landowner objectives.

An expanded program of pine reforestation in the South is included, as is a hardwood management and utilization initiative in the East. Assistance would include development, demonstration, and application activities in the use of wood for energy.

Reforestation and timber stand improvement efforts would involve a significant increase in incentives payments through the Forestry Incentives and Agricultural Conservation Programs to complement increased technical assistance. An objective would be to increase publicly assisted reforestation from 326 thousand acres per year in 1978 to 840 thousand acres in 1981 and 1220 thousand by 1985. These attainments would occur through coordination with forest industry programs that assist private landowners.

Utilization of wood would be improved by 225 million cubic feet in 1981 increasing to 235 million by 1985.

Funding for this program would need to be \$33 million in 1981 rising to \$37.2 million by 1985.

Urban Forestry Assistance

A high level of technical assistance would be provided to aid in the establishment, protection, management, and utilization of trees for environmental enhancement, amenity values, and energy conservation. Approximately 2,800 communities, towns, and cities would be assisted in 1981 increasing to 5,500 by 1985. This program is also an important means of encouraging management of rural forest lands owned by urban dwellers.

Proposed funding is \$6 million in 1981 rising to \$8.5 million in 1985.

Assistance in Management, Planning, and Technology Implementation

Increased assistance would be provided to State forestry agencies to promote improved planning, to increase efficiency and effectiveness, and to help put new knowledge and technology to use. Emphasis will be placed on forest resource planning, including the development of better forest inventories, analytical techniques, and the preparation of State Forest Resource Plans. Forty-eight States are now working to complete such forest resource development plans over the next few years.

The recommended funding is \$8 million in 1981 decreasing to \$7.1 million by 1985 as management and planning assistance progresses to a maintenance and updating stage.

General Forestry Assistance

GFA projects are special purpose projects that include:

- Gifford Pinchot Institute for Conservation Studies - A National focal point for research and education activities related to the conservation and wise use of natural resources.
- FIRESCOPE - A research development and application program in cooperation with the State of California.
- Other special projects - These include demonstration of Dutch elm disease control and elm tree utilization and assistance to the State of Minnesota and to resort owners and operators impacted by expansion of the Boundary Waters Canoe Area.

Proposed funding is \$8.9 million in 1981 dropping to \$5.2 million by 1985.

Allocated Funds

State forestry agencies participate in several programs for which funds are appropriated to other USDA agencies and then allocated to the Forest Service.

Rural Community Fire Protection is very important to the cooperative fire protection program. Funding for RCFP is recommended at \$6 million in 1981 rising to \$8.7 million in 1985.

The Forestry Incentives and Agricultural Conservation Programs are basic to public assistance for reforestation and timber stand improvement on nonindustrial private lands. Recommended funding for FIP is \$33 million in 1981 increasing to \$40.8 million in 1985. For ACP the recommended funding of forestry practices is \$5.9 million in 1981 rising to \$6.6 million in 1985.

CONCLUSION

In closing, NASF contends that the cooperative forestry programs must be carried out at significant levels if the desired results are to be achieved. Consider the success of American agriculture. At the present time, only 3 percent of forest landowners receive assistance each year as compared to over 90 percent in agriculture.

Fully adequate production of renewable natural resources from the Nation's private sector will require the participation of all concerned parties; nonindustrial private landowners, industry, and local, State and Federal governments. Through this recommended program, the State forestry agencies with the help of the Federal government will provide the leadership and direct assistance through which landowners will be informed of investment opportunities and will be motivated to practice improved forest management.

TABLE 1
COMPARISON OF NASF RECOMMENDED PROGRAM COSTS AND RECENT BUDGET LEVELS FOR STATE AND PRIVATE FORESTRY PROGRAMS
Appropriated Funds in Budget Format (Million Dollars)

	Recent Budget Levels ^{1/}			NASF Program ^{2/}				
	FY 1978 Approp.	FY 1980 Approp.	FY 1981 Pres.'s Budget	1981	1982	1983	1984	1985
<u>Cooperative Land and Resource Protection:</u>								
Forest Insect and Disease Mgt.	25.3	20.5	22.1	33.0	35.2	37.3	39.4	41.6
Rural Fire Prevention and Control	30.1	22.4	13.9	40.0	41.7	43.5	45.3	47.0
Total, Cooperative Land and Resource Protection	55.4	42.9	36.0	73.0	76.9	80.8	84.7	88.6
<u>Cooperative Renewable Resource Management and Utilization:</u>								
Rural Forestry Assistance	13.3	13.4	19.2	33.0	34.1	35.1	36.1	37.2
Urban Forestry Assistance	3.5	3.6	---	6.0	6.6	7.2	7.9	8.5
Assistance in Management, Planning, and Technology Implementation	3.9	3.7	6.0	8.0	7.8	7.6	7.4	7.1
Total, Cooperative Renewable Resource Management and Utilization	20.7	20.7	25.2	47.0	48.5	49.9	51.4	52.8
<u>General Forestry Assistance</u>								
Pinchot Institute	0.5	0.6	---	0.7	0.8	0.8	0.9	0.9
FIRESCOPE	1.2	2.4	---	2.4	2.4	2.0	1.5	1.0
Special Projects	2.5	6.3	3.4	5.8	5.8	5.0	4.2	3.3
Total, General Forestry Assistance	4.2	9.3	3.4	8.9	9.0	7.8	6.6	5.2
TOTAL, STATE AND PRIVATE FORESTRY	80.4	72.9	64.6	128.9	143.4	146.3	149.3	151.8

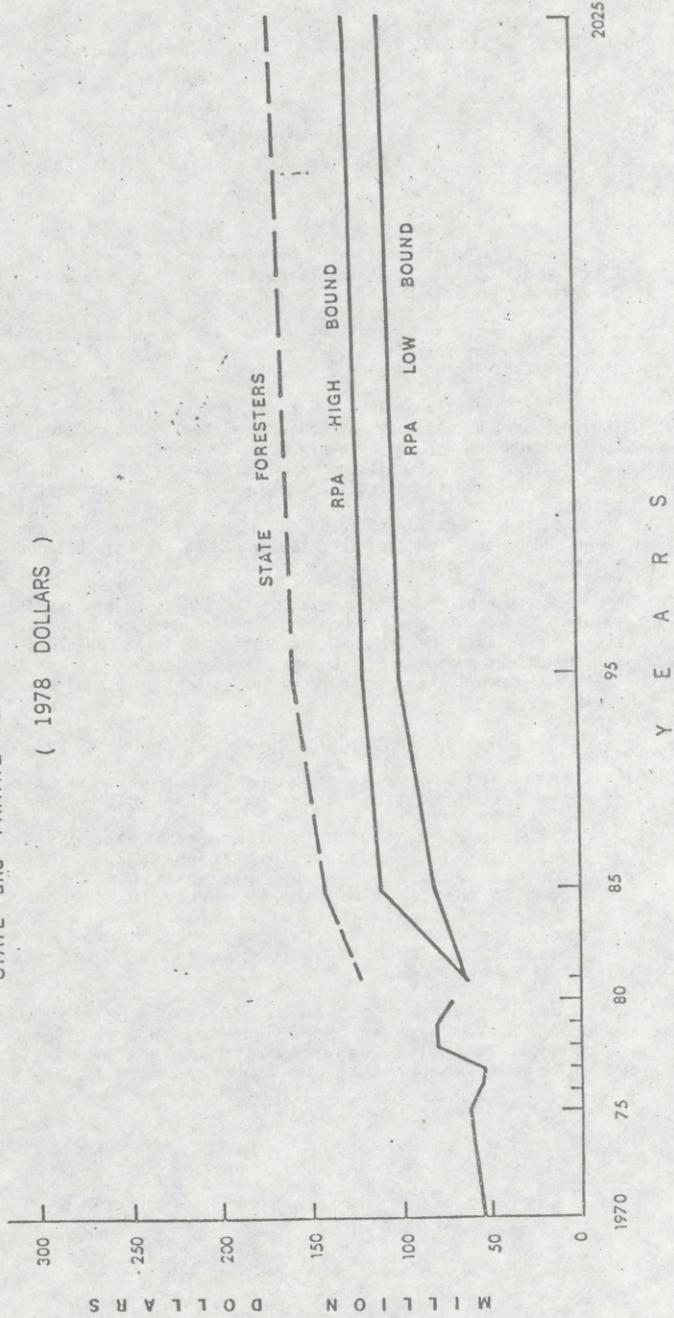
^{1/} Actual dollars

^{2/} Constant 1978 dollars

^{3/} Total may not add due to rounding.

COMPARISON of PROGRAM RECOMMENDED by STATE FORESTERS
with RPA RECOMMENDED PROGRAM HIGH and LOW BOUNDS

STATE and PRIVATE FORESTRY APPROPRIATED PROGRAMS
(1978 DOLLARS)



NATIONAL ASSOCIATION OF STATE FORESTERS COMMENTS ON
 "A CONGRESSIONAL RESPONSE TO THE PROPOSED PROGRAM AND STATEMENT OF POLICY"
 By

Boyd L. Rasmussen

November 20, 1980

The House Subcommittee on Forestry

The wisdom of Senator Humphrey and the original sponsors of the Resources Planning Act is evident in the current proceedings underway in the Subcommittee on Environment, Soil Conservation and Forestry. The Act outlines an orderly process whereby the Administration and Congress might have access to information along with professional analyses so that they might make decisions and take action as needed to insure that the Nation's forest and rangeland renewable resources make their necessary contribution.

"A Congressional Response to the Proposed Program and Statement of Policy" (White Paper) as developed by Senator Melcher's Subcommittee on Environment, Soil Conservation and Forestry clearly puts the Resources Planning Act process in perspective. The Act envisions a cooperative effort by the Administration and the Congress to be based on facts clearly available to both parties. This orderly process should result in a program which outlines actions that are responsive to long and short-term forest resource and rangeland needs of the Nation. Actions taken and programs enacted in this way can be properly balanced with other current national needs and priority.

Because of the inadequacies of the Administration's offerings, it is appropriate that the Congress recommend a revised policy and program as provided for in the RPA process. The National Association of State Foresters commends the Committee for the effort underway and supports the Committee's recommendations contained in the "White Paper". We particularly call attention to and support the following items:

A definite, clearly understood program and policy is required.

Resources from all lands regardless of ownership must make their contribution to the nation's supply of natural resources.

There is a great need for long-term resource targets to be defined. NASF supports targets established by the committee for all resources. We believe that when these goals are considered in the light of rapidly developing technology, particularly the genetic improvement of planting stock, it may be possible to raise them significantly in the future. We strongly support goals established as current targets and urge aggressive action to achieve them.

The National Association of State Foresters wishes to express appreciation to Chairman Weaver and the Subcommittee on Forestry for its commitment to the Resources Planning Act processes and its vigorous efforts to insure that the processes work as designed by the Act.



STATEMENT

of

Neil Sampson, Executive Vice President, NACD

to

The Forests Subcommittee
House Agriculture Committee

on

The Administration's Proposed Program and Statement of Policy
for the
Forest and Rangeland Renewable Resources Planning Act of 1974 (RPA)
November 20, 1980

Mr. Chairman, Members of the Subcommittee:

We appreciate the opportunity to testify today on the Program and Statement of Policy that has been submitted to the Congress in accordance with the provisions of the Forest and Rangeland Renewable Resources Planning Act. The RPA is a significant piece of national law, and establishes a planning process that we in NACD support very strongly. The products we have before us today have a great deal of merit, as well as some shortcomings, in our view.

Our testimony will focus on the shortcomings of the Administration's proposal, but before we begin on those details, we should establish a broader perspective. We commend the U.S. Forest Service for the work and skill that has gone into the RPA documents. The Assessment is a comprehensive review of the resource base, its strengths, its problems, and the opportunities we have for improving it. The recommended Program represents, in our view, a valiant effort to identify and quantify the outputs that can be anticipated from a range of public investment in resource management programs.

The problem is that the recommended program does not identify what we must do to retain the productivity of the nation's forest and range lands, but what the budget analysts think we can afford to do. We think that is shortsighted.

National Association of Conservation Districts
1025 Vermont Ave., N.W., Washington, DC 20005
(202) 347-5995

The challenge, and the opportunity, before the Congress is to review those decisions and decide what is best in terms of the long-range interests of the people of the nation. And that, we must not forget, is the strength of the RPA process. For all the criticism we may bring to bear on the documents before us, if we did not have them, we would have far less opportunity to hold an enlightened debate on this vital topic. The nation owes a long-standing debt of gratitude to the far-sighted sponsors of this legislation.

The recommended Program in the RPA documents falls most short, in our judgment, in outlining an adequate program for Cooperative State and Private Forestry. The needs of the private non-industrial forests today are staggering, as are the opportunities for vastly improved productivity.

Of the 482 million acres of commercial forest land, 58%, or 278 million acres, are held by private non-industrial owners. 116 million acres is owned by farmers as part of their total farming operation. Yet, the proposed budget for Fiscal Year 1985, at the high bound, is only \$112 million out of a total of \$2.738 billion. That would amount to 4% of the total Forest Service Budget. This appears to be entirely inadequate to meet the needs of the private non-industrial forestry sector.

At a series of conferences held during 1979, which culminated in a national conference last November, participants identified the present federal tax structure as one of the most serious deterrents to proper forest management on private lands. The report of that conference states that taxes are a perennial disincentive to private forest management. These conferences were co-sponsored by the U.S. Forest Service. Yet there appears to be few references in the RPA documents to this problem. There is no mention of it at all in the Recommended Program. It appears that the government has asked the public for its opinion and then ignored what it heard.

The same conference recommended that adequate staffing was needed in order to be able to assist at least 400,000 landowners each year with forestry planning activities. The 1980 RPA Program recommends the same goal: 400,000 forest management plans per year. This represents approximately 10% of the private forest landowners in the nation. It is certainly a realistic and conservative goal. Certainly, we cannot expect to achieve significant

improvements in the productivity of the private non-industrial forest lands of the nation over the next few decades if we cannot even reach the majority of the owners with planning and management assistance in the foreseeable future.

But the goal, even though modest, is so far above what is happening today it staggers the imagination. The current rate of planning assistance provided by all sources: state forestry agencies, the Soil Conservation Service, consulting and industry foresters, and universities is in the range of 60,000 landowners per year. Something dramatically different needs to be done. There not only needs to be significantly more effort expended in the Cooperative State and Private Forestry Program, but there also needs to be some new approaches devised.

One mechanism that has not been explored at all in the RPA is the increased use of local conservation districts as a means of reaching small forest landowners. There are some 2950 conservation districts covering over 95 percent of the nation. They serve some 2.5 million cooperators, many of whom are woodland owners. In some states, pioneering efforts are being tested whereby district foresters are being hired by conservation districts, with funding from one or more state and federal programs. This opportunity to increase the number of practicing foresters at the local level should be further investigated. Yet there is no mention of such an approach in the RPA documents.

Another opportunity available is to increase the focus of agricultural extension programs on forestry and range. The Renewable Resources Extension Act would greatly aid this process, but funding has never been requested by the Administration nor provided by Congress, so that program languishes.

NACD strongly supports the Cooperative State and Private Forestry Program through the state forestry agencies, and feels that it should be a far higher proportion of the Forest Service budget. New opportunities for effective forestry programs should also be explored. The task is simply too immense, and too critical, for us to be satisfied with the level of effort under way today, or the levels proposed by the RPA documents.

The issue of reforestation, both on public and private lands, is a critical one. Reforestation on private, non-industrial lands must be greatly accelerated if these lands are to furnish the timber projected to be needed in the future.

It is estimated that in the southeast alone, there is an increase in the backlog of unreforested areas of close to 1 million acres each year. Conservation districts and their state associations in those states have, over the last two years, conducted a concentrated information campaign to encourage landowners to accelerate tree planting efforts. Many conservation districts have furnished equipment and trained crews at cost to landowners willing to cooperate in local tree planting programs.

On National Forest lands as well, the attention to reforestation must be intensified. But it will take a great deal of investment and effort. I'd like to quote from President Carter's June 27, 1980 message on the occasion of the 75th anniversary of the Forest Service:

"We have a tremendous potential to increase wood production. Yet, we are running about a \$3 billion trade deficit in timber products each year. By making our forests more productive and by strengthening cooperation in this regard between the public and private sectors, we can become a net exporter of timber in time for the Forest Service's one hundredth anniversary. Let us on this occasion make this a priority goal -- and one that can be achieved in ways that are environmentally sound and cost effective."

That is a laudible goal, and one we fully support. But the President's message was apparently not captured in the RPA, for we can find no assurance in the recommended program that the investments needed to reach such a level of timber production are even remotely considered.

We would also like to speak to the issues surrounding rangeland resources. Our analysis of the range management sections of the documents indicates that the sole indicator of the need for range improvements is the demand for grazing of cattle. There are many other values provided by good rangeland, including watershed stability, water quality, outdoor recreation, and fish and wildlife. Although these are difficult to express in dollar terms, compared to AUM's, they must be part of the equation in calculating needs on the nation's rangelands.

We will submit for the record, along with copies of our testimony, a Pasture and Range Improvement Report compiled by our association in 1979 to outline the need for range management and the proposed solutions to the poor range conditions in this country today. This report was developed by a National Coalition for Pasture and Rangeland Improvement that included many federal agencies, environmental organizations, farm and commodity organizations, and

professional societies. The recommendations it makes are significant, and go far beyond the limited vision portrayed in the RPA Program proposal.

The entire matter of non-commercial forest land is not directly addressed in the RPA Program proposals. These lands have both timber and range potentials. Many acres of these lands, with minimum investments, could be brought into productive use. This is going to be increasingly critical as the supply of timber products is more seriously taxed, and as new uses of wood for energy are developed. These uses, which range from fuel for direct burning in home heating or power generation to conversion of cellulose to liquid fuels, could be increasingly significant in the near future.

During the past few years there has been a significant increase in the use of wood for home heating. This utilizes all types of forest products, both low quality stock and some stock which should more appropriately be used for timber, turning stock, and specialty products. There are millions of acres that could be planted to fast-growing species such as hybrid poplar, specifically for energy production. The potential for achieving this increase in biomass production from forest lands will demand a significant increase in technical assistance to the landowners involved.

The development of improved technology for converting wood products into alcohol fuels seems assured. At a meeting of the Bio-Energy World Congress and Exposition in Atlanta this past April, most of the speakers agreed that wood, rather than grain, would be the most economical and plentiful source of biomass for energy production in the future. This portends a far greater pressure on forest lands, both commercial and non-commercial, than would be indicated by past evaluations. It also indicates that there will be the need, and the economic incentive, to develop far more efficient timber harvest and utilization techniques that can capture a far higher percentage of the cellulose produced on the land.

This Subcommittee will, we hope, receive a similar set of documents in the near future under the provisions of the Soil and Water Resources Conservation Act of 1977. Those documents, coupled with the RPA documents, give you an unprecedented opportunity to understand the soil, water, and renewable natural resources of this nation. You will have, for the first time, the kind of information needed to evaluate federal programs and budgets, and make enlightened recommendations to the Congress and the people of the nation as to what must be done to keep our natural resources productive.

The two assessments are going to demonstrate that the efforts of today are inadequate. We are losing productivity too fast, reinvesting too meagerly. We have "put off" too many times, the inevitable need to spend the money that it takes to rebuild the productivity of our land and water. We kept thinking we could wait until tomorrow, and we did, but now tomorrow is here. The mood of the nation today is clearly one of concern for our productivity. There are strong calls for an intensive effort to "re-industrialize." To many Americans, that will mean simply the renovation of a steel plant here, an auto plant there. We must now make the case that, to forestry and agriculture, two of the nation's most basic industries, the land and water is the "factory" that must be renovated.

The time is now, and the process that this Subcommittee has created with the RPA and the RCA efforts can give us not only a better understanding of the need for action, but also the insight as to what actions must be taken. We commend the Subcommittee for its leadership in this effort and pledge our support as you move forward.



KEITH A. ARGOW, Ph.D.
Executive Director

STATEMENT OF
KEITH A. ARGOW
EXECUTIVE DIRECTOR
TROUT UNLIMITED
BEFORE THE
SUBCOMMITTEE ON FORESTS
THE COMMITTEE ON AGRICULTURE
U.S. HOUSE OF REPRESENTATIVES
NOVEMBER 20, 1980

Good morning Mr. Chairman and Members of the Subcommittee. I am Keith A. Argow, Executive Director of Trout Unlimited, Washington, D.C. We are an international conservation organization with 18,000 members organized into 250 Chapters and 21 state Councils whose primary objective is the protection and enhancement of coldwater fishery resources. We appreciate this opportunity to express our support for Alternative 4a of the recommended 1980 Renewable Resources Program for the three programs of the U.S. Forest Service: National Forest System; Forestry Research; and State and Private Forestry.

THE ACTION ORGANIZATION

Washington, D.C. Headquarters • 118 Park Street, S.E. • Vienna, Virginia 22180 • (703) 281-1100

Carl Sullivan of the American Fisheries Society, a scientific and professional association of 8,000 members, also expresses his appreciation for the opportunity to testify and asked to be identified with the statement of Trout Unlimited.

These remarks reflect my background as a forester with fifteen years experience in forest land management (including timber sales) and followed by eight years as a professor of forestry at two land-grant universities. It was my privilege to chair the task force of the Society of American Foresters which advised the Congress on the technical forestry implications of the National Forest Management Act of 1976, which amended the Resources Planning Act that we are discussing this morning.

The background of Alternative 4a is well known to all of you, and I will not recount the many reasons which led to its creation. It is a reasoned and balanced compromise that protects fragile lands and emphasizes investments in timber and other commodity production on the accessible and most productive sites. This is good forestry and good fishery management, and the two go hand-in-hand.

There is no escaping the bottom line of any enterprise, be it a small business or a forest management plan. In the latter instance, that bottom line is at the base of the valley where the stream flows. The condition of that stream can tell us more about the management of the natural resources in that watershed -- timber, minerals, location of roads -- than books of studies.

I am aware of the many carefully presented arguments and public benefits to be derived from maximizing public use of our National Forests, and these benefits are impressive, indeed. But I am also cognizant of the hidden costs of intensive commodity utilization that may result in the muddying of rivers--costs that as yet we can still only estimate.

A trout stream that must be stocked every year because its spawning beds are choked with silt -- from mining spoils, improperly stabilized roads, etc. -- or because it has waters that become too warm in the summer as a result of no shade, is a loss to society. We can't truly mitigate that loss with a hatchery-grown fish where a naturally reproduced trout, salmon, or steelhead ought to be.

In summary, we find the fishery objectives of Alternative 4a to be reasonable and achievable for all nine regions. We believe the other resource program directives to be reasonable. If we were to state any objection, it would be that it doesn't go far enough. It calls for a program about the same as a High Bound program, which is the minimum level we see necessary to protect and enhance fishery resources on National Forest lands. In fact, Alternative 4a only provides for completion of 60% of the cooperative fishery/wildlife goals recommended by the planning resulting from the 1974 Sikes Act Extension. An additional \$25 million appropriation (above Alternative 4a) would significantly increase the accomplishments for fishery and wildlife and address 100% of those projects developed within the states. We believe this will provide a fisheries program in line with the resources available and the growing public demand for a quality fishery resource.

Trout Unlimited appreciates this opportunity to express our concerns and hopes for truly balanced use of our bountiful National Forest resources.

TESTIMONY OF
JOSEPH T. PRENDERGAST
PRESIDENT
AMERICAN SKI FEDERATION

My name is Joe Prendergast and I am president of the American Ski Federation, an organization representing over 700 ski areas, that provides both nordic and alpine skiing, 285 manufacturers of ski apparel and equipment, approximately 7,000 retail specialty ski shops as well as the National Ski Patrol and the Professional Ski Instructors.

As a further means of introduction, I would like to give you some facts about the ski industry which I feel are relevant to today's discussion. According to the AC Neilson Sports Participation Survey, skiing is the second fastest growing sport in the country. Industry and government sponsored studies indicate there are 14 million active skiers in the U.S. and another 13 million potential skiers of which 7.3 million were identified as having a high probability of learning to ski. There was an approximate 40 percent increase in the skier market between 1973 and 1976 and an additional 40 percent increase in participation from 1976 thru 1979. Relying on the above information collected by the U.S. government, therefore, collectively, as many as 27 million people could be skiing in the foreseeable future. This would represent an increase of almost 100 percent over the number of currently active skiers.

A discussion of demand would be incomplete without a look at supply. In 1960 there were approximately 240 ski areas in the U.S. By 1968 the number had grown to 600, an

increase of 360 areas or 150 percent in 8 years. However, in the next 10 years between 1968 and 1978 only 100 new areas were built. Since 1978 only 1 major ski area has been brought on line. Beaver Creek is Colorado's newest area and will begin operation this season with no other proposed western areas destined for opening at any time in the near future.

Less than 1 percent of the mountainous terrain of the U.S. is suitable for commercially viable ski area development. Potential new ski sites are less likely to be found than new wilderness areas. Ski areas of the west have reached the situation where many of them have achieved effectively full utilization. Additional facilities will be required to meet the future demand. The midwest and the east appear to have sufficient capacity to meet demand for the next 3 - 5 years.

Overcrowding at existing ski facilities is not a problem for the future, it is a real and present problem which the Forest Service is addressing by formulating maximum capacity figures for major ski areas and requiring that lift ticket sales not exceed these capabilities. The situation is further complicated by the imposition of mandatory price guidelines by the Forest Service on prices charged for lift tickets and other commodities marketed by ski areas.

It is the feeling of the ski area operators that a viable partnership exists between the public and private sector for the development of recreation opportunities on federal land. Yet the ability of the private sector to accommodate the needs of an ever-growing ski population are difficult when forced to deal with numerous requirements of law and policy of the federal government. The execution of which is placed in the hands of the Forest Service which in our view is inadequately funded to respond to the paperwork requirements of the National Environmental Policy Act, the National Forest Management Act, and other federal laws on a timely basis.

With the above in mind, I would like to address the recommended program of the RPA specifically as it relates to recreation.

The Report to Congress on the Nation's Renewable Resources outdoor divides recreation into two categories - developed and disbursed - each with a wide variety of activities, special requirements, and problems some of which are stated to be common to both. Of importance however, is the positive statement that the two are inseparately linked. It is the view of the ski industry that that is in fact the case. Therefore, we are somewhat confused over several alternatives proposed inasmuch as they separate expenditures for disbursed and developed recreation and place differencing importance

on opportunities for expansion in these areas. It is the hope of the ski industry that the Congress and the Forest Service view recreation as a group and recognize the ever increasing role of recreation in the last two decades. As contained in the report to Congress, increased population, higher incomes, more leisure time, greater mobility have all combined to make the great outdoors more accessible and affordable to many.

As an industry therefore we would support the highest practicable expenditure on recreation by the Forest Service to meet the challenge of the 80's to provide for greater capacity to respond to the alarming growth and demand for a quality ski experience as well as outdoor recreation. Our industry supports the growth of the private sector development for commercially oriented recreation on the national forest with risk capital.

The 1980 recommended program is constructed in such a way that under the low bound alternative there is a declining recreation program to the year 1985 at which point it accelerates to the year 2030. In summarizing the entire 50 year program it gives the erroneous impression of a favorable recreation initiative. Infact this is not the case. It is our fear that if the first 5 years of the low bound program were followed, we would have a severe residual effect in remaining years of the program. That situation is

fast becoming reality at many major ski resorts located on forest service land as the public already is faced with lift ticket rationing as a result of restrictive government policy.

In 1980 the recommended program is designed to give regional foresters direction in compiling land management plans for the region. It is our view that as a management tool the recommended program is ineffective due to the large spread between the low and high bounds leaving little to no direction to the field. It is our hope that the Congress and the Forest Service would propose a program that would be specific in its direction in goals so as to provide the Forest Service, its regions and our industry with an effective management tool to respond to a tremendous growth rate in the ski market. Additionally, it would be our hope that the program would envision a continued increasing commitment to private development of public lands for skiing.

In submission, we are concerned with the recommended program that provides a huge spread between low and high bounds and does not specifically detail a strategy for the future. We are concerned that any reduction in recreation expenditures would result in a tremendous loss of recreation opportunity to the American public.

STATEMENT OF DERRICK A. CRANDALL, INTERNATIONAL SNOWMOBILE INDUSTRY ASSOCIATION

Mr. Chairman and distinguished Committee members, my name is Derrick Allan Crandall and I am appearing today as Vice President for Public Affairs of the International Snowmobile Industry Association. Our association has a strong interest in the management of this nation's forest and rangeland resources and has been actively involved in local-level, regional and national land management decision making.

The cause for our interest in the RPA Program is obvious. A large number of the 12,000,000 Americans who will ride snowmobiles this winter will do so on public and private lands which are included in the planning process established by the Forest and Rangeland Renewable Resources Planning Act of 1974. These men, women, and children depend upon safe, well-designed winter trails interconnecting snowbelt locations in North America. Today's snowmobile trail network stretches more than 190,000 miles across North America. Nearly half of this total mileage, some 90,000 miles, consists of public marked and maintained trails, trails which are part of formal state and provincial trail systems and are the product of cooperative efforts by government officials at several levels, including the U.S. Forest Service, and volunteer efforts by literally hundreds of thousands of snowmobilers.

I submit for your information three items. The first, Snowmobiling '80, is our summary of the current status of a sport which has grown rapidly and changed dramatically during the past decade. The second, the Snowmobiling Fact Book, provides concise information on virtually every aspect of this sport, from sound levels to safety, from energy to economic impact. I also submit a map which shows the large numbers of persons involved in snowmobiling today in each state and estimates of the money they spend directly connected with their winter fun.

Mr. Chairman, ISIA has observed the development of the 1980 RPA Assessment and Program closely and participated at several levels. Our respect for the abilities of Forest Service officials, and for their commitment to using the RPA process to generate better resource management decisions, has continued to grow. We are pleased to report to you that at the grass-roots level of the snowmobile community, where volunteers are involved in specific forest planning activities, a similar respect has developed. This agency of the government establishes a fine example of what all should be: professional; open to public involvement; responsive to new needs and demands; and creative in managing people and resources.

We believe in the RPA process as a tool to assist the Forest Service, ourselves and all others who have a stake in the wise management of our renewable resources. It is a useful forum for balancing commodity and non-commodity demands. It is a mechanism which can highlight resource management decisions which

are, by their nature, long-term in scope and particularly vulnerable to harm through the vicissitudes of an annual appropriations process. We applaud the Act as a mechanism to forecast change and to facilitate responses to new demands quickly. And finally, we look upon the RPA process as the best hope for reducing the parochialism of many special interests active on resource management issues. And we do not exclude ourselves from this category.

We, like most other organizations, need to face up to some of the broader resource policy concerns - looking at the whole pie and not merely our piece of the pie.

Yet our enthusiasm for the process and for its likely consequences is tempered by several realities. Perhaps most importantly, the process is quite centralized, with less immediate fruit for local-level forest users, especially recreationists. The result is that the incentive for participation in the RPA process is lower than other planning programs which are more specifically targeted. This is particularly true when many forest users find their single interest lost in the national level assessment and program. Discussions about snowmobiling, for example, constitute a very tiny portion of the 600-plus page Assessment document. Another key concern is the marked disparity in data bases and measurement techniques regarding forest outputs. The treatment of timber resources and demands, with extensive discussions of private and public bases, stands in sharp contrast with the treatment of recreation, for example.

Overall, though, we accord the 1980 RPA Assessment high marks. It reflects the realization that Forest Service lands will continue to play a key role in providing recreational opportunities for Americans. It recognizes that Americans seek diverse recreation forms, developed and dispersed alike, and that recreation is sought year-round. It recognizes the large and growing interest in snow-based recreation, including snowmobiling, concluding that demand for this type of recreation will exceed the growth of all other categories of recreation.

However, we do not believe that the conclusions and forecasts contained in the Assessment resulted in appropriate recommendations for action in the Forest Service's 1980 Report to Congress. First and foremost, the Report established a range of targets for recreation which suggested the real possibility of decreased services, despite population growth and increased demands for recreation.

And, despite a statement in the program that:

"Biggest recreation increases are in snow-and-water-related activities. Better facilities, equipment, and clothing, and the rediscovery of the

enjoyment of cold-weather sports have resulted in year-round participation in areas where outdoor recreation was once limited to the summer season."

. . . the program provides no insight into whether this growth in demand will result in added Forest Service support.

We believe that there is no choice. The recreational needs of Americans year-round must be met for the health of individuals and our society. The human animal is not like a bear, amenable to hibernating for three or four months each winter. Today, millions of individuals have come to know the special beauty of winter and the health benefits of staying active year-round. Their needs can only be met through combined federal, state, local, private sector and recreationist efforts.

We urge that the Congress give clear direction to the Forest Service in the area of winter recreation, and indeed all recreation. We advocate a strong, central role for the Forest Service on recreational matters for several reasons:

- The Forest Service has great expertise in recreation as the single largest provider of outdoor recreation in the nation;
- The RPA program offers an umbrella through which recreational providers from the public and private sector as well as recreationists can participate in the design of the complex recreational delivery system needed in this nation; and
- Forest Service lands offer hope for a core of continuity in recreational facilities, resisting pressures of urbanization and other more dollar-intensive uses of open space which are removing more and more private lands from public recreational use.

There is another persuasive rationale for an expanded Forest Service role in recreation, and especially, winter recreation.

The viability of smaller, snowbelt communities proximate to national forests is of concern to us all. To be vital, attractive communities, these areas must have diversified economies and year-round employment opportunities. Yet many of these areas have been overly reliant upon summer tourism in the past. Sharply higher costs for borrowed money, for petroleum products and for other goods makes the economics of operating a resort, motel or restaurant only a portion of the year highly questionable.

The Forest Service can play an invaluable role in aiding local communities to become winter tourism magnets, as well. Such efforts will require work by state agencies, county governments, towns and private industry; but the lands managed by the Forest Service are a key to the success of the total effort. Access to scenic natural areas for trail-based activities, for ice-fishing, for alpine skiing and for other active pursuits is essential.

In conclusion, we urge action by the Congress on three matters. First, the 1980 RPA Program should be revised and minimum recreation output goals must be re-established at a level approximately equal to the "Upper Bound" for the program as submitted earlier this year. The Forest Service should be charged with integrating the expenditure of federal and state recreation budgets and the management of public lands to maximize recreation opportunities.

Second, we urge the creation of a special study team of Forest Service officials and outside experts to look specifically at the relationship between the viability of rural snowbelt communities and the growing demand for snow-based recreation. The team should be charged with the responsibility for recommending to the Congress and to the Secretary of Agriculture steps by which the Forest Service can contribute to coordinating these two forces beneficially.

Third, we urge the Congress to validate the RPA process, thereby creating the incentives required to bring all interests into active participation in RPA. To do this, the Congress must take action on the program direction and must demonstrate its reliance on the RPA program, as approved, in the appropriations process.

Thank you for this opportunity to share our views on this key matter.

International Snowmobile Industry Association

November 26, 1980

Washington, D.C. Office
7535 Little River Turnpike
Suite 330
Annandale, Virginia 22003
(703) 642-5850
Telex: ISIA ANLE 90-1810

Mr. James Rouse
Superintendent
Crater Lake National Park
Crater Lake, Oregon 97604

Dear Mr. Rouse:

We are writing to express our full support for continued and expanded snowmobile-assisted access during periods of ice and snow. We believe usage of snowmobiles to allow travel over snow-closed paved surfaces in the park permits expanded opportunities for the public to see and enjoy this scenic area in winter, in keeping with the snowmobile policy of the National Park Service.

We are pleased to submit additional information which will be useful in your decision-making process.

General Comment and Statement of Need

Commercial production of the modern, lightweight snowmobile has a short history, extending back less than two decades. Within this period, the sport of snowmobiling has grown to its current stature involving millions of individuals of all ages as active participants in this healthful, family-oriented activity.

Recreational snowmobiling continues to grow and attract new adherents at a rapid rate. According to a survey by the A. C. Nielsen Company, snowmobiling is among the fastest growing sports in America -- participation in the sport grew by 19% between 1973 and 1976 alone.

An extensive nationwide telephone survey conducted in 1977 by Opinion Research Corporation of Princeton, New Jersey for the U.S. Department of the Interior's Heritage Conservation and Recreation Service showed that in the previous year, 8.9 million people in the United States had snowmobiled more than four times, while another 5.3 million had snowmobiled up to four times. A total of 14.2 million people, then, experienced winter firsthand through snowmobiling.

The survey also explored interest in trying new types of outdoor recreation. Out of 38 recreational activities listed, only five attracted higher latent interest levels. More than 5.3 million persons who had never before snowmobiled indicated a strong interest in doing so.

Such growth and acceptance are indicative of the strong need for outdoor recreational activities during the winter period. Despite the grandeur and uniqueness of this season, the winter environment has historically been characterized by lessened human mobility, limited social interaction, and a marked decrease in out-of-doors activities.

To fully comprehend the significance of the new vitality snowmobiling brings to wintertime, we must consider the role of recreation in our lives. An accompanying document explores this area in greater detail; however, it is no exaggeration to say that our mental and physical well-being depends upon our ability to ease the pressures accumulated during our normal routines. As the trend continues toward highly urbanized and faster paced lifestyles, attaining this release assumes ever greater importance.

Sociologists, physicians, and philosophers alike have suggested linkages between lifestyles lacking in healthful recreational activities and such manifestations as greater risk of heart attack, lessened self-confidence, and lowered productivity on the job. Recreational undertakings are highly personal, subjective experiences, thereby further compounding the difficulties faced by public officials in planning and/or providing for such opportunities; thus, no ideal and universal recreational mode can be developed to fulfill the genuine needs of each individual. Finally, climatic conditions which restrict recreational options pose serious societal problems.

Over the past decade, the sport of snowmobiling has acted to revolutionize the once sedentary nature of winter activities. The Honorable John A. Durkin, United States Senator, in a letter to the New Hampshire Snowmobile Association dated April 13, 1979, explained it this way:

"...I have been a friend of snowmobiling for a long time. It is an ideal recreation activity for New Hampshire, allowing families to get outdoors and enjoy the scenic beauty of winter. I recall a recent conversation I had with one of my constituents about snowmobiling. Before she and her family took up the sport, winter was a time to stay inside and wait for spring, she told me. Now that they had snow machines,

she and her family actually looked forward to winter -- something they never did before. That is why I am a friend of snowmobiling; people need good, wholesome recreation to relieve some of the pressures in this hectic society to which we belong."

Indeed, outdoor wintertime activities have been removed from the province of the few to the realm of many through snowmobiling, an important development in maximizing the benefits derived from recreation. Policies governing the use of snowmobiles should reflect a clear perception by officials of the multitude of beneficial attributes, both personal and societal, associated with snowmobiling.

Environmental Impact

A more detailed examination of the environmental effect of snowmobiling is provided in enclosed documents. As a general comment, though, it is useful to note that virtually all of man's recreational activities, from hiking to pleasure driving, have some measure of environmental impact. A more sophisticated concept reflecting the magnitude and significance of such impacts would be more meaningful than simply noting the existence of some unmeasured effect. Snowmobiles may be justifiably considered to have minor consequences except in those areas of an especially critical environmental nature, where man's very presence can prove disruptive.

A snowmobile is operated in a manner different from any other vehicle. Its sole season of use is winter; its medium is a layer of snow, blanketing and protecting the land's surface. Despite early accusations that the snowmobile was a prolific despoiler of vegetation and wildlife, scientific studies have eradicated such fears.

Dr. Richard L. Bury of the Department of Recreation and Parks at Texas A&M University, in a paper written for the Wildlife Management Institute in 1978, entitled "Impacts of Snowmobiles on Wildlife," summarized the environmental impact of snowmobiling this way:

"The snowmobile industry early recognized the need for research into the environmental effects of its machine and actively supported independent research studies at universities; the result was that by 1973 it could be stated that 'in-depth research conclusively points out the minimal impact the snowmobile has on its environment' (P. Doyle 1973). This statement is unquestionably true when placed in the context of all

off-road vehicles; the snowmobile truly produces less impact on environments than do motorcycles or four-wheel drive vehicles."

The U.S. Department of the Interior issued an environmental statement covering the implementation of Executive Order 11644, as amended by Executive Order 11989, in the spring of 1978. It contained the following conclusion:

"A major distinction is warranted between snowmobiles and other types of off-road vehicles. Snowmobiles operated on an adequate snow cover have little effect on soils -- and hence cause less severe indirect impacts on air and water quality, and on soil-dependent biotic communities, than other ORV's do."

Wildlife and Vegetative Impact

Special concerns exist among snowmobilers and management officials alike regarding the relationship between snowmobiling and wildlife. Recent research in these areas serves to dispel many of these concerns.

The results of a comprehensive three-year study conducted at the University of Wisconsin were published in 1976 in a report by Dr. Andres Soom. This report, entitled "Emission, Propagation and Environmental Impact of Noise from Snowmobile Operations" concluded:

"The results of extensive experiments on the effects of snowmobile noise and operation on the behavior of deer and rabbits are presented, and it is concluded that the noise from snowmobiling operations does not by itself appear to be a significant factor in determining animal behavior."

Concerns about wintering deer and the effects of snowmobile operation in the White Mountain National Forest led to a study by the Forest Wildlife Biologist. Forest Service staff and student volunteers monitored snowmobile operation in the Forest. The study, entitled "Snow Machine Use and Deer in Rob Brook," concluded that deer travel patterns were not affected by periodically heavy snowmobile use. In addition, "no evidence of winter (animal) mortality" was found, and continued use of established snowmobile trails was recommended.

The Canadian Field-Naturalist, Fall 1978, Volume 92, published "Response of White-tailed Deer to Snowmobile and Snowmobile Trails in Maine." This article, written by Voit B. Richens and Gerald R. Lavigne, revealed the findings of a three-year study of a 17-kilometer snowmobile trail system in Somerset County, Maine:

"Abrupt changes in deer activity could be accounted for by changes in snow supportability, and did not appear to be related to snowmobile disturbances. Deer consistently bedded near snowmobile trails and fed along them even when those trails were used for snowmobiling several times daily. In addition, fresh deer tracks were repeatedly observed on snowmobile trails shortly after machines had passed by, indicating that deer were not driven from the vicinity of these trails.

"The reaction of deer to a man walking differed markedly from their reaction to a man on a snowmobile. A significantly greater number of them ran than stayed under all snow, weather, habitat, and temporal conditions recorded during the study (Tables 2, 3, 4). This decided tendency of deer to run with the approach of a human on foot, in contrast to their tendency to stay in sight when approached by a snowmobiler, suggests that the deer responded to the machine and not to the person riding it.

"It appears that snowmobiles can be used to benefit White-tailed Deer by (1) easing their travel effort in snow, (2) providing trails in nearby brushy areas and large clearings having palatable food, and (3) inducing winter deer movement to suitable and unexploited localities within a wintering area. Such use of the snowmobile seems logical since the major problem of wintering deer on snowy ranges is that of moving to new food sources. This specifically refers to palatable browse above the snow surface but within reaching distance of deer standing in or on the snow."

Ronald G. Eckstein, Thomas F. O'Brien, Orrin J. Rongstad and John G. Bollinger reported the results of a multi-year study, "Snowmobile Effects on Movements of White-tailed Deer: A Case Study," in the Fall 1979 issue of Environmental Conservation magazine. They found:

"Our study confirmed Lavigne's (1976) report that Deer were more likely to move away from people hiking or skiing than from people riding snowmobiles. Our cross-country skiing experiments showed that in 8 of 11 encounters, Deer moved at least 23m away from the snowmobile trail.

"The effects of snowmobile traffic on the winter home-ranges, movements, and activity patterns, of White-tailed Deer (*Odocoileus virginianus*), were studied during two winters in northern Wisconsin. There were

no significant differences in home-range size and habitat use of the Deer in areas with and without snowmobiling.

"Deer appeared to react more to a person walking than a person on a snowmobile. We recommend that snowmobile trails be routed away from areas where Deer concentrate during the winter, but feel that, so far as any effect on White-tailed Deer is concerned, the environment is not very seriously changed by the advent of snowmobiles."

Unfortunately, some isolated instances of wildlife harassment occur. Harassment -- whether by means of horse, truck, four-wheel drive vehicle, trail bike, skis or one's own feet -- cannot be condoned or rationalized. Such actions constitute deviant and, in most cases, criminal behavior, and should not be confused with the sports of horseback riding, hiking, skiing, trail biking and snowmobiling.

Where snowmobiling is concerned, prevention of unintentional wildlife disturbance is usually quite readily accomplished because the mobility of animals, like that of man, is greatly reduced in winter. Old studies involving noisy snowmobiles indicate a half-mile buffer zone avoided disruption of wintering elk, while smaller buffers seemed sufficient for other large wintering animals like deer. Because ungulates gather into identifiable "yards" in most instances during winter, snowmobile traffic can be controlled to establish an appropriate buffer which, because of the radical quieting which has occurred in new snowmobiles, now can be far less than one-half mile.

The overwhelming majority of those people who enjoy snowmobiling are responsible and concerned citizens who support existing laws designed to deter this problem. In a letter to ISIA, dated April 6, 1978, the Honorable James C. Cleveland, U.S. House of Representatives, addressed this very point:

"Certainly in the state of New Hampshire, snowmobilers have taken their place among legitimate users of our outdoors, and have done a rather good job of policing their own ranks to prevent the activities of a few from seriously harming the sport."

Even the concerns voiced relative to alteration of the subniveal microclimate must be more broadly understood. Snow compaction by snowmobiles is a minor cause of such temperature drops, because snowmobile operation compacts a very small portion of the total surface area of any land resource. Far more significant microclimate impacts result from fluctuations in snowfall and snow

cover, and from ambient temperature variances from winter to winter. This was documented in studies by Dr. Wallace J. Wanek at Bemidji State College in Minnesota.

Unsubstantiated charges are also often made regarding vegetative impact, covering both mechanical and environmental effects. Again, research provides a perspective to judge the consequences of snowmobiling in this area.

Those not familiar with snowmobiling are inevitably surprised to learn that a snowmobile, which is designed to float on the surface of the snow, exerts dramatically less surface pressure than other types of recreational activity. Specifically, a snowmobile and rider produce no more than one-half pound per square inch in downward pressure. An all-terrain vehicle and rider exert three times as much pressure (1.5 psi), a hiker ten times as much (5 psi), a horse and rider sixteen times as much (8 psi) and a four-wheel drive vehicle and rider sixty times as much (30 psi). (See Table I.) With the exception of snowmobiling, all of the other cited recreational activities generally take place under non-snow conditions, thus exerting pressure directly against the ground surface. But the snowmobile's one-half pound of pressure is further attenuated by an intervening blanket of snow.

TABLE I

Average pounds of pressure per square inch exerted on earth's surface:

<u>Object</u>	<u>Lbs. of Pressure</u>
Four-Wheel Drive Vehicle	30
Horse	8
Man	5
All-Terrain Vehicle	1.5
Snow Machine5

(All vehicle weights considered include 210 lbs. estimated weight of one person and gear.)

In 1973, the University of Wisconsin completed a study on the effects of snowmobile use on agricultural fields. Utilizing study plots in five test areas, the findings of the research team indicated that snowmobile traffic did not affect the fields of winter wheat, alfalfa, red clover and grass legume stands.

The team, headed by J. W. Pendleton, validated the observations of thousands of snowmobiling farmers. The team harvested,

weighed and examined alfalfa, Kentucky bluegrass, turfgrass, winter wheat, red clover and birdsfoot trefoil-orchardgrass from both test and control plots. Their comments:

- "Snowmobile traffic on winter wheat showed no effect on grain yield."
- "No differences were found between alfalfa yields from snowmobile traffic and non-traffic areas."
- "Turfgrass species subjected to snowmobile traffic were Pennlawn red fescue, Illahee creeping red fescue, and Merion and Park Kentucky bluegrass. Snowmobile traffic generally reduced yields at the first harvest date in late April but did not adversely affect later harvest yields."
- "Yields from red clover plots showed no differences due to snowmobile traffic."
- "Snowmobiling caused no differences in total yield or variation in percent grass and legume stands."

In summarizing, the researchers stated:

"Our treatments may not be exactly similar to what happens on an individual field. In one sense, these trails had traffic far in excess of random snowmobiling on open fields, but perhaps not as high as the traffic on established official trails maintained for public use of snowmobile clubs. We have assumed that vegetation vigor and yield is of less concern on permanent trails than on agricultural lands. However, some of our track areas at Ashland have now received over 350 passes each of the past two winters without decreasing the stand or yield of alfalfa."

The snow depths during the snowmobile runs in the test plots ranged from less than two inches to more than 16 inches, and temperature on testing days ranged from a high of 50°F to a low of -10°F.

In Utah, a study conducted by Professor Joel E. Fletcher, a hydrologist at the Utah Water Resource Laboratory, indicates that snowmobile-induced compaction does not damage wheat crops:

"Contrary to popular thinking, instead of damaging the wheat crop, the snow compaction caused by the snowmobile treads and by the roller actually increased the

yield of wheat. Looking closely at the process, Professor Fletcher found that as a result of compaction, snow mold was eliminated, the ground surface was not frozen hard, and the snow melted and entered the soil at a slow rate so that erosion was reduced..."

In its 1978 final environmental statement regarding off-road vehicle use of public lands, the U.S. Department of the Interior stated:

"Where snowmobiles are used exclusively over snow on roads and trails, the impact on vegetation is indeed virtually nil."

A comment made by Wisconsin DNR Secretary Tony Earl at the Second Governor's Conference on Winter Tourism, 1978, aptly sums up snowmobiling's current impact on the environment:

"Since the development of public trails we have seen an enormous drop in the number of snowmobile problems and complaints. There is less stress on the environment during the winter than the summer."

Recreational Opportunity

We believe that recognition should be given to the fact that without a snowmobile, many of nature's premier aesthetic winter sights would be unavailable. Before the advent of snowmobiles, only those few of extremely strong constitution could enjoy the fun of winter outdoor recreation. Limited numbers of people had the needed stamina and vigor to ski and snowshoe extended distances in hostile environments. This meant the young, the old, the frail, the handicapped, and many others had scant opportunities for outdoor winter activities.

Snowmobiling has changed this. The demands of this sport are such that virtually none need be excluded. It is the feeling of equality among all who participate in the sport that makes snowmobiling so appealing. This quality is emphasized in the article "Recreation for Special People," printed in the Fall 1977 issue of Outdoor Recreation Action, a U.S. Department of the Interior publication:

"Raymond Conley, who is a member of both the New Hampshire House of Representatives and the Governor's Commission on the Handicapped, attempted to conduct a survey to determine the total number of disabled snowmobilers in his state. He found that it was impossible to do so because disabled citizens are so well integrated in the sport and into local snowmobile clubs that there simply has been no reason to highlight their

disabilities. Once on the machine, it all comes down to skill, physical conditioning, and a love of the winter outdoors. States Conley: "This is mainstreaming just as we would like to have it."

This great variety of people, of all ages and physical abilities, who quest for healthy outdoor activity during all seasons of the year offers a real challenge to a system that historically has catered to the warm-weather user. Innovative land managers at Manitoba's Spruce Woods Provincial Park and Yellowstone National Park have accepted the challenge of winter recreation by offering new vistas for snowmobiling. Interpretive Trail Rides, guided nature tours by snowmobile to learn about the geology of the area and the plants and wildlife of the winter ecology, are now offered in Manitoba. In Yellowstone, guided nature tours and camera safaris over snowmobile routes have met with widespread public support.

Winter visitors to scenic areas appreciate the tranquility of a forest blanketed in snow that often can only be discovered by snowmobile. The Iowa Conservationist issue of February 1979 contained an article "No More Cabin Fever!" which stated:

"In my opinion snowmobiling has to be one of the most wonderful things to happen to winter. It gets you outside and keeps you active. You see the most wonderful scenery decorated with freshly fallen snow, and the beauty of a quiet winter night is something to behold... Yes, there is action and excitement in snowmobiling but there is also beauty and peace."

The National Park Service has acknowledged the important role snowmobiling can play in winter recreation. The current snowmobile management policy of the National Park Service provides the following guidance:

"In the coterminous United States, snowmobiles may be permitted in units of the National Park System as a mode of transportation to provide the opportunity for visitors to see, sense and enjoy the special qualities or features of the park in winter."

Man, Nature and Wilderness

The last two decades have witnessed a marked shift in resource utilization policies. Where once land was managed to solely maximize productivity in the marketplace, now it is being managed for recreation, Wilderness and other non-capital-intensive human and environmental considerations. An enclosed document explores

fully the issue of Wilderness designations and the large stake North American residents have in both protecting their lands and managing them to best meet the demands of today and tomorrow. A tremendous need exists to prevent the long-term loss of land and its resources through either law or destructive commodity production.

Awareness of our natural surroundings has set up a confrontation between those who advocate extensive development and those advocating massive preservation. In the middle of the conflict stand the recreationists -- campers, hikers, snowmobilers and others -- wanting neither development that will further encroach on their all too few acres of recreational lands, nor preservation in the form of Wilderness that locks out many favorite pastimes.

Snowmobilers, and other outdoor recreationists, seek the same natural qualities as do the Wilderness advocates. They display initiative by leaving behind the easy chair and television for the challenge of outdoor activity in the winter snow. They appreciate and respect the environment, wishing to preserve its naturalness for others to enjoy. This is testified to in the December 1978 issue of Montana Outdoors in an article entitled "Montana's Snowmobile Program: A New Dimension in Winter Recreation Management":

"One of the most valuable lessons learned is how erroneous and unfair it can be to stereotype participants in a specific recreational activity. Many people have the idea that snowmobilers enjoy the sport only because of its speed and thrills and that they are not concerned with the same values as most other winter recreationists. While snowmobiling is a thrilling sport, surveys conducted in conjunction with the department's Statewide Comprehensive Outdoor Recreation Plan (SCORP) show that about 94% of the snowmobilers questioned snowmobile primarily because it provides them with a chance to get out with family and friends.

"The survey also indicated that over one-half of Montana's snowmobilers prefer outings in remote, wilderness-type settings. Since snowmobiles are, by law, not permitted in federally designated wilderness areas, such a preference has led to conflicts concerning various users and users' rights. For this reason, snowmobilers have many times openly and forcefully opposed wilderness classification for many federally administered areas. The fact remains, however, that most of Montana's snowmobilers seek and appreciate many of the same values that wilderness users do."

The pressure for competing uses of our resources continues to grow stronger. Management plans regarding land use should be sophisticated enough to minimize irreversible resource commitments and yet maximize fulfillment of human needs in all sectors. Public land use policy should take into account changing needs and priorities for the land, bearing in mind that our priorities ten years from now may be vastly different from the present.

Sound Emissions

Snowmobile sound levels have been reduced 94% in recent years. Snowmobiles produced since February 1, 1975 and certified by the Snowmobile Safety and Certification Committee's (SSCC) independent testing company emit no more than 78dBA from a distance of 50 feet while traveling at full throttle when tested under Society of Automotive Engineers (SAE) J192a procedures. Additionally, all SSCC-certified snowmobiles produced after June 30, 1976 emit no more than 73dBA at 50 feet while traveling at 15 mph under SAE J1161 procedures. Presently, 100% of all snowmobiles produced for sale in North America are certified by SSCC's independent testing company as meeting these sound emission standards.

A study conducted by the SSCC and the U.S. Testing Company for the benefit of the Minnesota Department of Natural Resources demonstrated snowmobile sound at various distances. A relevant portion of the study report follows:

"The masking effect of trees was illustrated when two of the 1976 model snowmobiles were moved into the woods edge, on a course which led 1/4 mile beyond the crest. The trail proceeded through a dense stand of hardwoods that were bearing leaves. Snowmobile noises could not be discerned and could not be measured over the crest of the ridge."

This means that the earlier problem of excessive noise from snowmobiles is no longer a major concern. Former Governor of the State of New Hampshire Meldrim Thomson, Jr., had this to report to ISIA on August 9, 1977:

"I am of the opinion that snowmobile noise is no longer a major source of problems here in New Hampshire. True, the early machines were associated with excessive noise; this actually caused a problem, one that even the operators of the machines were not happy with.

"From my own observations, and I am a frequent rider of our state trails, I no longer consider the noise a point of contention... I find the newer machines very

acceptable and realize that future machines will have noise levels even further reduced in meeting our requirements and those of other states."

Operated in a normal, considerate manner, the newer, quieter 78dBA snowmobiles cannot be heard from inside a home. From a distance of 50 feet, new snowmobiles generate between 67 and 73dBA at 15 mph and are barely perceptible under most forest conditions. In testimony before the Minnesota Department of Natural Resources, May 2, 1979, Robin Harrison, Mechanical Engineer, U.S. Forest Service, stated:

"Snowmobiles almost always emit less noise under actual operating conditions than under certification conditions.. even trying as hard as we could... we could not make any of the snowmobiles come up to 78dB(A).

"...The results I have described, along with... other data, are incorporated in the noise pollution prediction method developed by the Forest Service... [U]nder the absolute stillest, most quiet background conditions that I have ever recorded, the method estimates that these new snowmobiles would be barely audible, to a very carefully listening listener, only a very small percentage of the time, at 3000 feet... Bear in mind that the ambient sound level I am describing is less than 20dB(A) -- an extremely unusual situation. Under the more usual conditions found in a wildland or outdoor recreation situation, with the ambient reading in the 30dB(A) range, snowmobiles would probably not be detected beyond one-fourth of that distance... [U]nder conditions of a developed winter campground, which included some typical campground sounds... at distances beyond 400 feet, the snowmobile was only barely detectable above the normal campground noise."

Snowmobiles are now among the quietest powered vehicles. This reduction should be recognized in the plan because it facilitates simultaneous use of areas by several varieties of winter recreationists.

Compatibility with Other Recreation Forms

Because of the seasonal nature of the sport, snowmobiling is one of the most compatible of all recreation forms. Trails used by equestrians, bicyclists, hikers, and trail bikers are readily usable by snowmobilers in winter, as are roads not plowed or used during snow-covered periods. Surface preparation requirements are flexible and rudimental. More importantly, with the

disappearance of the snow, traces of snowmobile activity are eliminated. Trail markings are the only substantial exception to this, and even these can be removed each spring if desired.

Compatibility with other wintertime recreational users is less complete. This does not imply conflict among users, though. Shared facilities -- parking lots, toilet facilities, warming huts, and other such services -- are easily arranged. Even limited joint use can be made of certain access, or corridor trails with cross-country skiers. However, for safety purposes and to ensure maximization of the recreational experiences of each group, segregation of snowmobilers and cross-country skiers seems advisable and is easily accomplished through careful management. Tony Skufka, Director, Recreation, U.S. Forest Service, Region 6, discussed this issue in a letter to ISIA dated September 22, 1978:

"Grooming snow trails has become one of the most effective tools to date in the management of snow trail users.

"In the past, there were many instances of conflict between snowmobilers and other snow trail users. Today instances of conflict are isolated. Management has played an important part in reducing conflict but more importantly face-to-face discussions between the leaders of conflicting groups have resolved the problem before it really had a chance to develop.

"Present sound levels of current production snowmobiles do not present a major problem for our land managers. Again it's a matter of management. We today are attempting to provide a wide variety of recreational opportunities on the National Forests. In general, these opportunity types range from modern to primitive ... Our planning generally provides for snowmobiling in modern, semi-modern, and in some cases, the semi-primitive environment where sounds are expected."

Popular opinion tends to reflect the myth that snowmobilers and skiers are rivals. However, feelings of animosity are becoming increasingly rare as facilities for each sport are provided. The St. Paul Pioneer Press in its article of January 22, 1978, titled "Cross Country Skiers Gain Ground," quoted an official of Minnesota's Ski Touring Federation:

"The relations between the cross-country skiers and the snowmobilers never should have been bad in the first place," Maloney said. "The problem the skiers had in the beginning was not with the snowmobilers but with the state because of the way public lands were being allocated."

In July 1979, the National Nordic Conference, an umbrella structure of cross-country ski interests, met and identified the importance of cooperation and communication with snowmobilers. Since that time, skier/snowmobiler cooperation has accelerated greatly. In fact, the New England Regional Winter Trails Conference at which Maine's snowmobile program was highlighted was jointly sponsored by the National Nordic Conference and ISIA. Next season, additional programs of this type are planned across the North American snowbelt.

Throughout the snowbelt, "sno-traveler" clubs, comprised of skiers, snowmobilers and those who enjoy both sports, are developing. They cooperate in trail building and maintenance for each sport and devote their combined energies to social events, to making winter a time of healthy fun for all.

In deciding on allocations between wintertime uses, several factors seem highly relevant. First, certainly much consideration must be given to the proportion of demand, measured in recreation visitor-days. Second, consideration should be given to providing highly desirable areas of use for each user group. Finally, in balancing availability of the land resource between uses, consideration must be given to those areas permanently closed to the snowmobiler, including current Wilderness areas, primitive areas, new Wilderness study areas and national scenic trails, which are open to wintertime non-motorized uses but not to snowmobilers.

The Energy Issue

Paramount in the minds of virtually all Americans is the current energy situation. Almost all forms of recreation -- from attending concerts to skiing to television viewing -- consume energy in the form of transportation to participate in the activity, for use in the activity itself, for electricity, for heating and lighting, or all these. The snowmobile community is committed to playing an appropriate role in contributing to energy conservation programs. However, we feel the attainment of national energy goals should be accomplished equitably. Freedom of choice in all pursuits, including recreational endeavors, should prevail. The U.S. Congress has adopted this same position. We are enclosing a most interesting colloquy among fifteen leading U.S. Senators stressing the importance of snowmobiling to snowbelt residents and the need for equitable treatment of the sport in energy policy matters.

It is interesting to note how much gasoline is consumed by snowmobiles annually. In the United States, snowmobiles use just 12/100ths of 1% of all gasoline consumed. This is equivalent to

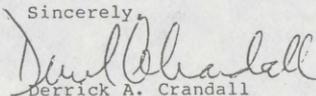
fewer than 26 drops out of one gallon of gasoline. A 1979 report for the President's Council on Environmental Quality, Off-Road Vehicles on Public Land, commented on the energy consumption resulting from snowmobiling:

"Many environmental groups have emphasized that ORV and snowmobile use should be curtailed as an energy saving measure. However, ORV and snowmobile use represents such a small fraction of the nation's energy consumption that even if they were entirely eliminated, the energy saved probably would not be worth the effort."

Conclusion

We hope this information will prove useful to you. We urge continuation of the currently designated snowmobile routes in the park and further endorse the additional routes proposed under Alternative 4, a route for snowmobile travel around the rim and access from the Pinnacles area to the North Entrance. The Alternative 6 proposed by the Klamath Basin Snow-Drifters strikes us as a logical and cost-effective means to implement these objectives. We look forward to expanding upon our thoughts and the information contained in this letter in further communication with you and your staff.

Sincerely,



Derrick A. Crandall
Vice President, Public Affairs

DAC:abt

Enclosures

cc: Klamath Basin Snow-Drifters
Oregon State Snowmobile Association
Russell Dickenson, Director, National
Park Service
The Honorable Mark Hatfield
The Honorable Bob Packwood
The Honorable James Weaver ✓
The Honorable Les AuCoin

STATEMENT OF TOM BARLOW, NATURAL RESOURCES DEFENSE COUNCIL, INC.

We appreciate the opportunity to appear before the Forestry Subcommittee and to testify on the Forest Service's Recommended Program prepared pursuant to the Forest and Rangeland Renewable Resources Planning Act (RPA). This program sets forth a range of activities that can be applied to National Forests for the period 1980 thru 1985. Our testimony deals in the main with the timber portion of the Recommended Program and the White Paper.

In the RPA documents and the RPA program the Forest Service shows much greater determination to support the private forest sector in boosting output from the over 300 million acres of woodlands in private non-industrial ownership across the nation. This is laudable from the standpoint of every forestry goal including support for higher levels of local income and wildlife habitat improvement. I recently took a train trip thru the southern states from Washington, D.C. to New Orleans. It is truly remarkable the number of new sidings that have been installed in just the past few years to handle forest products, particularly raw logs. The investment in new cranes, yarding equipment, hopper cars marked solely for wood chip transport along the route I traveled across the southeastern states is very ambitious. Clearly these states are gearing up to supply major portions of any growth in demand for timber products that might develop in this coming decade. From a social perspective the support

that the Forest Service gives to the private tree growing sector which predominates in the southeast will provide significant boosts to community economies and personal incomes.

The surge in softwood inventory coming out of planting programs during the thirties and again in the fifties is being transferred to market as we enter the eighties.

The Forest Service has indicated that the disaggregation that is currently taking place in the RPA goal setting processes is due to their inability to receive programmed levels of RPA budget during the period 1975-1980. This evidently is the basis for their providing a range of program options for the period 1980-1985. Thus a level of appropriation will be more easily tailored to a level of program output for which Congress has been given the information beforehand. We understand the frustration among some supporters of the RPA legislation with the Forest Service's not giving singular objectives for the years 1980-1985 but rather giving a range of objectives. Also, it is understandable that the portion of the timber industry drawing its logs from the National Forests would want a high federal sale objective for the years 1980-1985. We would point out that virtually all forester opinion is united on one principle, that if wood fibre shortages are to be avoided, if high levels of wood imports are to be avoided in coming decades, the private forest sector is going to have to become much more productive.

Now this is not a principle that the Forest Service or foresters can simply pay lip service to. It is an absolute necessity that this principle be translated into fact if wood product prices are to remain stable and adequate supplies are to be made available for domestic markets much less the export markets that industry has recently indicated that it wants to aggressively develop. This necessity for vast boosts in private forest output, is coming down on foresters and decision makers very rapidly. And the ability of the federal government to fully support the private forest sector in this effort is closely tied to National Forest timber output.

The President's Council on Wage and Price Stability in hearings before this Subcommittee in the spring of 1979 demonstrated that every billion board feet of timber injected into National markets has a very measurable depressing impact on lumber prices. This depressing impact works right back to the price paid for logs, for timber, whether in National Forests or on private lands. Thus, whatever sales level the Forest Service carries out in any single year influences directly the price indexes received by private forest owners. Quite simply, if the potential for a reasonable return on their investment is not provided to owners in these price indexes then owners will not be making the investments in long term sustained yield forestry that the nation needs if shortages are to be avoided. Quite simply, moderate levels of National Forest sales are better for the private sector

than high levels of National Forest sales. High levels of National Forest timber sales are a "prescription for poverty" for the private tree farmers in the years ahead.

We note that Congress appears to be ready to approve investment tax relief for forestry management on private lands and higher levels of tree planting are always on the various agendas. But we point out that tax relief implies a harvest has been made and income received. Tax relief is no substitute for income. Indeed it's value rises or falls as income rises or falls. And if timber prices are low and alternative uses of the land would seem to offer more prospect of profit, then land will be transferred from forest to other uses in significant amounts. Such support measures are important but they are not a substitute for proper levels of timber sale income to private forest ownerships.

There is strong pressure from federal timber purchasers for the Congress to take some form of action to set singular RPA goals. It is our position that if Congress is to take action regarding the RPA program, that it address the manner in which the Forest Service prices and sells timber. In June of this year, NRDC released a report on Forest Service timber sales for the years 1974 thru 1978. The report shows that a majority of the National Forest conducting sales during this period lost money, that is they did not recover sufficient money to cover direct costs of timber management. These

sales below cost are described more fully in the documents we submit for the record with this testimony. Sales below cost bring volumes of timber into markets at prices that tug down price indexes that private ownerships receive for their timber and can deny them prices that provide the levels of income they need to encourage high levels of investment in sustained yield forestry.

We support very moderate levels of Forest Service sales until the impacts of respective levels of National Forest timber production on private forest management efforts are more fully understood. In the near term, there is no need for higher levels of Forest Service production since the Forest Service extended termination dates for transacted sales this spring which will provide a surge of timber into 1981 and beyond. The surge in softwood inventory in the southeast is available for harvest in the eighties. Indeed from the appearance of some of the forest I saw along the train route, which were mixtures of mature softwood and hardwoods, harvest should proceed on these lands which would bring large supplies of softwoods into markets, so that pure softwood stands can be planted to provide for supply into the second and third decade of the next century.

Some analysts project a boom in housing starts in this decade and link this to the need for higher levels of National Forest output. We point out that there is analysis which

questions these high projections and we attach an article dealing with a recent Sindlinger survey showing that demand for new housing may be off in the near term because of rising costs of household maintenance, high property taxes, and rising utility bills. If this analysis proves to be right, and the Forest Service programs higher levels of National Forest timber sales in the face of reduced demand, the impact on private forest incomes could be disastrous.

We would point out that a portion of the demand for new housing projected in the eighties is the result of projected investor interest in housing. Housing as an investment medium is a relatively new phenomenon in the degree it has developed in the seventies. It is too soon to tell whether the trend will continue especially as common stocks move up as the nation moves out of the recession.

Energy prices are probably going to have an impact on categories of housing starts in this decade as people tend to stay closer in to urban areas where housing tends to be in the apartment, and town house categories, which is less wood intensive than single unit housing. Rising costs for utilities and real estate taxes can boost this trend away from single unit housing. It short it is going to be tricky to anticipate developments in housing in this decade. Through all this, the Forest Service must gauge its sales carefully so that private woodland producers are properly supported in their efforts to develop their forests into sustained yield operations.

Finally, we would note that the industry wants to move heavily into the wood export market. The Forest Service must not support this effort to the extent that it means higher prices for wood products in this nation. We urge the Subcommittee to watch this area carefully. Thank you.

(From The Washington Star, August 8, 1980)

Households Are Starting to Double Up

NEW YORK (AP) — Big bills and lost jobs are forcing households to double up.

Married couples are moving in with parents; singles are giving up apartments, and elderly parents are moving in with children.

The results, says the Sindlinger research and forecasting firm, are a household decline of 239,000 in June and July and the potential for a one-year shrinkage of a million units, which would be the greatest since World War 2.

Albert Sindlinger, chairman of the Media, Pa., company, blames "rising utility bills, high property taxes, the high cost of household maintenance and rising rents."

Telephone Surveys

Sindlinger discovered the shrinkage, which seems to have begun around Memorial Day, during his company's telephone survey of 1,200 households a week, which has been a regular routine for close to 25 years.

He calculates that in the following two months the household count declined from 73,931,000 units to 73,692,000, and that further declines can be expected, especially if the economy continues to worsen.

He feels the extreme possibility — not a forecast — would be a falloff of up to 10 million units, a range that presupposes a depression. For now, however, he sees the decline continuing "for a year at least."

In a way, he said, we are retreating to the lifestyle of 50 years ago, when three generations lived under one roof, a style that in more recent years gave way to one-generation and even one-member households.

Sindlinger, whose analyses are widely followed by retailers and

manufacturers, believes that if the trend continues for more than a year it could change many other economic expectations and projections.

It could, for example, mean reduced appliance and automobile sales, he says. He believes it would certainly mean less than anticipated demand for housing. And it probably means more additions to existing housing.

Sindlinger's researchers found the greatest household contraction in the heavy industry states of the Midwest and Northeast, excluding New England. He finds the trend especially clear in such states as Ohio, Michigan, Illinois, Pennsylvania, New York and New Jersey.

The tipoff came, he says, when researchers found four or five adults living at the same address and sought to determine the reason why. With growing frequency, he said, it was explained that "our daughter just moved in," or "our son moved in with his wife and child."

The doublers, they found, are mostly from three age categories: very young adults or even teenagers; 40 to 45-year-old singles, many of them divorced or legally separated, and those 70 or older.

The doublers include some members of the social set sometimes called the swinging singles, named because of their carefree, sometimes cash-rich lifestyle in which a separate apartment played a central role.

Strains on that lifestyle have intensified as rents, utilities and other household maintenance costs have soared, and as apartments in many areas have been converted to condominiums and cooperatives.

Housing industry officials generally have forecast a continuation of conversions, a shortage of rental apartments and a shortage of single-family houses, in large part because of demographic reasons.

During the 1980s, these housing officials generally point out, more Americans will become age 30 — considered a home-buying age — than ever before in history. Housing shortages have been widely forecast.

If doubling-up continues for several years it might lessen that demand for housing, as well as for a host of other items that accompany the purchase of a home. It would seriously upset many economic projections.

The new measure of economic change, generally ignored until now, will probably be as closely watched in the future as the far more popular economic indicators, such as unemployment and housing starts.

**NATIONAL FOREST PRODUCTS ASSOCIATION**

1619 Massachusetts Avenue, N. W., Washington, D. C. 20036

RESOURCES

STATEMENT OF
GENE S. BERGOFFEN
OF THE
NATIONAL FOREST PRODUCTS ASSOCIATION
BEFORE THE
SUBCOMMITTEE ON FORESTS
OF THE
COMMITTEE ON AGRICULTURE
UNITED STATES HOUSE OF REPRESENTATIVES
ON THE
1980 RESOURCES PLANNING ACT ASSESSMENT, PROGRAM,
AND STATEMENT OF POLICY
NOVEMBER 20, 1980

Mr. Chairman and Members of the Committee:

I am Gene S. Bergoffen, Assistant Vice President, Resource Programs, for the National Forest Products Association (NFPA). Headquartered in Washington, D.C., NFPA is a federation of thirty-one forest industry associations in addition to direct company members. Through its membership, it represents more than 2,500 companies throughout the United States and Canada engaged in timber growing and the manufacture and distribution of forest products.

The forest products industry view is that the 1980 Resources Planning Act Program for timber will result in increasingly inflationary wood product prices and a greater trade deficit in wood products. Such results are not in the Nation's best interest especially when it is recognized that this country could meet not only our domestic needs but also be a major world supplier.

In your announcement of this hearing, Mr. Chairman, you cited two specific topics for discussion: (1) the validity of recommended program ranges, and (2) the validity of the "4a" program alternative.

Program Ranges

The question of whether an administration should present Congress with a recommended program range or a specific program was thoroughly debated by the Congress in passing the Resources Planning Act. The result of that debate, which the forest industry agrees with, was that an administration should present Congress with a specific recommended program.

The Resources Planning Act documents are to represent the best thinking of the Administration concerning what is likely to happen with forest and range land resources and the most appropriate federal response to identified opportunities and problems. The law recognizes that circumstances may change sufficiently in intervening years between programs to warrant changes. The law does not lock an administration or a Congress to a program but it does require an explanation of why a deviation from the recommended program is warranted.

The forest products industry believes the provisions in the Act are adequate to deal with future uncertainty, which as been the reason given by the Administration for presenting a range.

The RPA process is not intended to lock in short-run budgets but rather to provide a long range framework within which short-run budgets can be formulated.

4a Alternative

The basic concept of the "4a" alternative is to maintain commodity outputs from the national forests by intensively managing currently developed lands and thereby freeing the existing roadless lands for recreation and other noncommodity uses. This hypothesis has been debated for several years, and simply has not been proven. In 1978 the Forest Service published the Roadless Area - Intensive Management Tradeoff Study which evaluated the feasibility of such an approach on seven western national forests. The conclusions of that study were that the timber harvest could not be maintained on any of the study forests by more intensively managing the currently developed national forest lands. And even with development of one-half of the roadless areas, only one study forest could maintain the harvest. The limiting factors on intensive management were not money but rather environmental protection and multiple-use objectives.

In the RPA Program the Forest Service said the "4a" alternative appears to be viable. Even this weak conclusion is qualified by an admission that there is uncertainty whether "4a" timber goals can be met in Oregon and Washington which is the major national forest timber producing region.

The important fact is that an acre of land can only produce so much output. From 1975 to 1979, the commercial forest base on the national forests declined by 7 million acres or 8.1%. In addition, the prime timberland in that base, the standard component, declined by 10 million acres or 18 percent. Because of these trends, the Forest Service say the 1975 RPA timber goal can not be achieved under current policies. The assumption that more intensive management can offset the rapid declines in the land base must be seriously questioned in light of this recent history. To manage the remaining acres as industrial tree farms just isn't in the cards when one considers those often used catch words "consistent with multiple-use and environmental values." To achieve "4a" would, in essence, require dominant use.

The Timber Problem Is Now

The forest products industry concludes that none of the Administration's alternatives are acceptable with respect to timber. None of the alternatives are responsive to the problems identified in the RPA Assessment.

The message to the American consumer of timber products is significant. The RPA Assessment concludes:

"...that rising relative prices of stumpage and timber products will have far-reaching consequences of a diverse and complex nature. Consumer expenditures will increase, timber industry employment and output will decrease, environmental quality will be adversely affected, greater demands for energy will occur, and there may be a significant effect on balance of payments."

The immediate problem we all face is how to supply the wood needed to meet the housing demand of the 1980's at acceptable prices. The RPA Program talks about the need for more intensive management on private and public lands to meet long-run demands. This is good and well-founded. This nation has some of the most productive forests in the world. If we act decisively and imaginatively now, we can meet domestic demand and make the United States a net exporter of wood products.

But the fact remains that it takes thirty to fifty years to grow a merchantable tree. Between now and thirty years from now, we must use what is already in the ground and growing. The logical place to look for that increased supply is the national forests which control over one-half of the current softwood saw-timber inventory.

The 1980 RPA Assessment and Program did not fail in terms of defining the timber demand/supply problem. The Program is a failure because it doesn't do anything about the problem. There is no sense of urgency and certainly, no commitment to take action now.

A Responsive Alternative

After review of the draft Program and Assessment in 1979, the forest products industry set out to build a timber program

which was goal-oriented and responsive to the national needs identified in the Assessment. We believe the industry program is both logical and, most importantly, doable.

Industry's understanding of the results of the Timber Assessment is as follows:

- (1) Solid wood demand will be at its peak during the next ten to twenty years due to the housing demand which will result from the WW II baby boom.
- (2) Fiber demand, namely for pulp and paper, will increase throughout the fifty-year projection period in response to the general level of economic activity. Thus, demand on the timber resource will shift from the need for more sawtimber size trees in the short run to pulpwood size trees in the long run.
- (3) The historical rates of increase in the relative prices for softwood stumpage and finished products, such as lumber and plywood, are projected to accelerate.
- (4) Imports of softwood lumber from Canada are projected to increase.

The forest industry concluded that the results of the Assessment, namely inflationary wood product prices and a worsening trade deficit, were detrimental to the nation's economy and the industry's future.

As a first step to do something about this problem, we adopted a national timber goal. That goal is:

"In consideration of the nation's economic, social, and environmental objectives, the nation's commercial forest land should be managed to achieve efficient, continuing levels of timber productivity that will: (1) minimize real consumer cost impacts through an adequate domestic supply; and (2) build the potential for an international net trade surplus of forest products."

The forest industry believes this goal is a logical and correct response to the problems identified in the RPA Assessment. Translated into timber outputs, our goal, as compared to the Administration's "High Bound," means that:

- (1) Total softwood timber removals should increase by 50 percent, as opposed to the Administration's 37 percent by 2030.
- (2) National forest sales must increase by 45 percent by the year 2000, as opposed to 19 percent.
- (3) Industry harvest must increase by 20 percent by 2030, similar to the Administration's conclusion.
- (4) Nonindustrial private lands harvest must increase by 84 percent by 2030, as opposed to the Administration's 43 percent.

The mix of outputs necessary to meet the industry goal means that national forests, with 50 percent of the softwood sawtimber inventory, must substantially increase output during the next twenty years. Second, steps must be taken now to assure that needed investments are made on public lands and that the climate for investments of capital in private timber-growing activities is substantially improved.

On the latter point, the industry and Administration are in substantial agreement. In the long run private lands will be the major source of timber supply. But, lead time is needed to get regeneration rates on these lands increased. If increases in regeneration are not accomplished and private harvest rates rapidly accelerate due to a constrained availability of national forest timber, the ability to sustain the private harvest in the long run will be seriously jeopardized.

As an example of what can be accomplished by implementing a responsive timber goal and program, consider the following comparisons:

- (1) Softwood lumber prices would be approximately 20 percent lower in 2030 under the industry's program as opposed to the Administration's "High Bound".
- (2) Softwood plywood prices would be approximately 13 percent lower.

- (3) The United States would be a net exporter of softwood lumber.

The Commitment

Mr. Chairman, the forest products industry has not developed this goal as a last minute response to the RPA Program. Our goal was adopted by the NFPA Board of Directors last November and was the culmination of industry study and debate over the last six years.

More importantly, the forest industry is committed to achieving the goal. We have developed and are beginning implementation of a private woodlands program to create the investment climate necessary to achieve the increased outputs from private lands.

We are working diligently to insure that National Forest Management Act (NFMA) planning results in a full display of the opportunities to increase timber supply from the national forests, including the possibility of changes in current policy.

And, we are committed to the RPA process. We have established our own long-range planning effort within NFPA and will continue to strive to make the process adhere to the spirit and intent of the law.

A more detailed description of the industry program is in the booklet entitled "Wood Supply Goals for U.S. Consumers" which was submitted with my statement.

Congress Should Respond

Mr. Chairman, the Resources Planning Act calls for a Program which is responsive to the Assessment, displays the opportunities for action, and establishes national goals. What you have received is a Program which is not responsive to the Assessment; is a no action, business-as-usual approach; and has an implied national goal of programmed inflation.

Such a program is unacceptable to the forest industry and, we believe, to the consumer and the nation. We urge Congress to reject the Program and Statement of Policy and consider alternatives. As for the timber portion, we believe we have a better alternative.

MATERIAL SUBMITTED BY FOREST SERVICE, U.S. DEPARTMENT OF AGRICULTURE
ANSWERS OF FOREST SERVICE TO QUESTIONS SUBMITTED BY HON. JIM WEAVER

DATA ADEQUACY

Q1. What is FS doing to provide a national species data base that is comparable from one State to another?

A1. (a) In cooperation with other Federal Agencies, States, Territories, and Possessions, the Forest Service has developed a standardized data base containing information from the States on demand and supply and habitat relationships for resident and common migrant vertebrate species found on forest and range lands in the United States. (See An Assessment of the Forest and Range Land Situation in the United States, page 165 footnote.)

(b) Consistency between this data base and the more detailed management data base of the National Forest System is being improved.

(c) A national species list is being jointly developed with the Fish and Wildlife Service and other Federal Agencies as a mechanism for ensuring taxonomic consistency.

(d) The Forest Service is working with the Fish and Wildlife Service to standardize terminology in all States. Standard computer software is being developed for use by Regions in handling fish and wildlife data.

Q2. What is the FS doing to ensure that all potentially interested resource management agencies have access to the RPA data to use in conjunction with local planning activities?

A2. The Forest Service has publicized the existence of the standardized wildlife data base in:

--The Assessment document;

--Regional publications such as "Wildlife of the Pacific Northwest," Pacific Northwest Region, October 1978;

--National publications such as: Schweitzer, D.L., C.T. Cushwa, and Tom Hoekstra. 1978. The 1979 National Assessment of Wildlife and Fish: A Progress Report. Trans. No. Amer. Wildl. and Nat. Res. Conf. 43: 266-273; and, Hoekstra, T.W., D.L. Schweitzer, C.T. Cushwa, S.H. Anderson, and R.B. Barney. 1979. Preliminary Evaluation of a National Wildlife and Fish Data Base. Trans. No. Amer. Wildl. and Nat. Res. Conf. 44: 380-391.

Upon request, a computer tape containing all RPA data is provided at no cost to any State, Territory, or Possession.

Q3. What is the FS doing to provide better and more comprehensive supply and demand information for fish and wildlife?

A3. (a) Demand--The Forest Service has initiated a research effort to determine techniques for measuring the values of wildlife and fish; values are a major element of demand analysis.

*what are other elements -
how are values defined?*

(b) Supply--The Forest Service, in cooperation with other Agencies and the States, is developing species habitat relationships for all vertebrate and selected invertebrate species on National Forest lands. When this work is completed, we will know which species occur in certain vegetative types and expected population levels under various vegetative conditions. We will also then have the capability to predict population trend changes resulting from habitat modification.

RESOURCE INTERACTIONS

- Q1. Does the Assessment enable the FS to predict the effects on all other uses of carrying out an activity principally aimed at a single use? If not, what is being done to develop this capability? If so, are the relationships reliable enough to be used in making tradeoff decisions among alternative programs at the National Forest level?
- A1. A national multiresource interaction computer model was developed to evaluate several projected market demands in terms of cost by ownership and environmental and resource tradeoffs. The interaction chapter of the 1979 Assessment (pp. 508-516) discusses the complexity of the subject and provides an example of the model results. Research is continuing at the Rocky Mountain Experiment Station in an effort to improve our ability to predict multiresource interactions. We do not have at this time a model capable of predicting all resource interactions at the National Forest level. *what are model assumptions?*
- Q2. What precautions are being taken to preclude doublecounting of the resource base? *please answer the question.*
- A2. The 1979 Assessment data base was developed using forest and rangeland statistics collected by other Agencies as well as Forest Service data. Where differences in statistics for specific ownerships or land categories were found, the Forest Service worked with the other agencies to reconcile the differences or to explain why they occurred. In developing the data base for the Program, every effort was made to assure that resources were not doublecounted.

RESOURCE PRIORITIES IDENTIFICATION

- Q1. What is FS doing to quantify and describe specific fish and wildlife resources? What else should be done?
- A1. In cooperation with the States and the U.S. Fish and Wildlife Service, steady progress is being made to identify the specific habitat requirements of fish and wildlife species. Standardized inventories and units of measure are now in use which permit a determination of available habitat and the extent to which it is utilized. With this information in hand, biologists will be able to forecast and monitor the impact of management activities and to quantify tradeoffs.

Professional fish and wildlife expertise within the Forest Service has grown dramatically in recent years. The number of biologists employed by the Forest Service has nearly doubled within the last 3 years and currently totals about 600 professionals. Economists in the Forest Service are working with cooperators to develop improved methods to estimate fish and wildlife values. The work of these professionals will lead to the development and interpretation of specific information needed to quantify and describe the fish and wildlife resource.

Much more should be done. The interrelationship between fish and wildlife species, their habitat requirements, and the long-range impact of man's activities are complex and not fully understood. Intensified research by the Forest Service and its cooperators could hasten the time when management goals can be stated in terms of desired population levels for some species. This, in turn, will lead to increased public understanding and to the capability to monitor population trends for additional species.

- Q2. What is FS doing to identify and address specific fish and wildlife resource problems?
- A2. Specific fish and wildlife problems and opportunities on the National Forests are being identified in Forest land management plans now being prepared for each National Forest. The States and the Fish and Wildlife Service are partners in the planning effort. Problems and opportunities are also identified in the comprehensive State fish and wildlife plans required by the Sikes Act. Cooperative action is taken at the field level to resolve known fish and wildlife problems as part of the on-going work.

The anadromous fisheries and the endangered species program received increased emphasis in the RPA program based on economic analysis and policy guidance. The recommended anadromous fisheries program is cost effective and should result in additional jobs for commercial fishermen and an increased sport fishery. The FS has developed a comprehensive endangered species program in response to the Endangered Species Act. This program includes the special protection and management of sensitive species to hopefully prevent the need for listing them under the Act.

- Q3. Pacific salmon are designated the FWL #1 important resource problem, yet the Forest Service's anadromous fish budget will be low over the next few years, according to the Recommended Program. Is this not inconsistent?
- A3. The RPA Recommended Program for anadromous fish habitat improvement consists of a High Bound and Low Bound. In the 1982-85 period, the High Bound Program increases from \$9.7 to \$12.2 million, and the Low Bound from \$3.3 to \$3.9 million. This represents 16 percent of the total High Bound wildlife and fisheries program cost and 12 percent of the Low Bound Program cost. The anadromous fisheries received special emphasis by USDA policy officials within the overall RPA Program.

*develop more precise questions -
compared to 1975/77 RPA - see next 2 pp.
funding levels, etc.)*

GRAZING AND MINING

Q1. What is being done to reduce conflict between intense grazing and forage needs of deer and elk?

A1. Managers, in the field, are taking current action to reduce the conflict between grazing and the needs of deer and elk. In some situations, where economically feasible, the action may result in increased forage production. In other cases, a decision may be made to adjust the number of deer and elk, domestic animals or both. The overall objective is to protect the basic resources and permit long-term sustained multiple-use. Cooperators such as the State Fish and Wildlife Departments are participating in the decision process. Conflicting resource demands and public concerns are also being addressed in the on-going Forest land management planning effort.

Q2. Specifically, has the FS improved its ability to monitor and control grazing so it is effectively restricted only to those areas where it is permitted?

A2. Yes. The Forest Service is continually improving its ability to manage grazing. We have the capability to restrict livestock to permitted areas.

Q3. What effect does grazing have on the water quality and hydrology of streams used by Pacific salmon and steelhead as spawning habitat?

A3. The water quality of streams used by spawning Pacific salmon and steelhead can be maintained and is compatible with grazing under proper management. Protection of riparian areas is a critical factor. If grazing is not properly managed and controlled, it can lead to damage of riparian areas, sedimentation, lowered water quality, and reduced salmonid populations.

Forest Service objectives are to protect Pacific salmon and steelhead habitat. Forest and regional plans must consider RPA goals for both anadromous fish and livestock. Objectives will be updated during the regional and forest planning process and historic grazing-use patterns will be examined for consistency with the following objectives: 1) recognize the distinctive value of riparian areas during the land management process, 2) manage riparian areas under the principle of multiple use and sustained yield, 3) delineate and evaluate riparian areas prior to any project activity, and 4) give special consideration to resources dependent on riparian areas.

Q4. Mining activities in the Pacific Northwest have had destructive effects on anadromous fish. What is the Forest Service doing to mitigate these effects? Are existing authorities adequate to prevent environmental damage from mining activities?

*is this
proper
management
possible
under
law / the
land
panels*

- A4. Unregulated mining activities have a destructive effect on anadromous fish and their habitat. Under current practice, mining is regulated to minimize impacts on anadromous fish and other resources. Operating plans are required for mining operations and must be approved by the Forest Service following an interdisciplinary review before mining begins. Regulations are imposed to the level needed to meet resource management objectives. Existing authorities to prevent environmental damage are adequate.

EQUITY IN THE BUDGET

- Q1. How will budget requests for fish and wildlife resources compare to those for other resource systems in the next 5 budget years?
- A1. *Compare investment to operation.* The Secretary's 1980 Recommended Program makes major shifts in response to the resource needs and opportunities defined by the Assessment. Increased investment and relatively greater emphasis is provided for fish and wildlife management.
- Q2. How will the requested budget for fish in the next 5 budget years and for wildlife over the next 5 years compare to the past requests?
- A2. The President's budget for wildlife and fish will fall between the high bound and low bound of the 1980 Recommended Program. The budget request for fish habitat improvements in FY 1981 will be 90 percent higher than the average budget for the past 3 years. The Recommended Program for fish habitat improvement for FY 1982-85 would be 42 percent higher than the past 3 year average for the low bound or 315 percent higher for the high bound. The budget request for wildlife habitat improvements in FY 1981 will be 27 percent higher than the average budget for the past 3 years. The Recommended Program for FY 1982-85 would be 9 percent higher than the past 3 year average for the low bound or 165 percent higher for the high bound.
- Q3. Will activities affecting certain fish and wildlife resources, such as Pacific salmon, be fully funded even if the low RPA range is selected by Congress?
- A3. If the low RPA range is selected by Congress, activities directed toward the protection and management of Pacific salmon resources would be funded at the level described in A3--RESOURCE PRIORITIES IDENTIFICATION. The low RPA range of funding would not cover all habitat improvement opportunities. However, emphasis is placed on the protection and management of anadromous fish habitat in both the low and high ranges of RPA.
- Q4. What is the FS doing to make up for the fact that, in the past, fish and wildlife resources did not receive an equitable share of the RPA budget?
- A4. Policy direction as indicated in A1 above will increase fish and wildlife's relative share of the budget. This coupled with increased Forest Service expertise (see p. 3, RESOURCE PRIORITIES IDENTIFICATION), research and a stronger cooperative working relationship with the States and the F&W Service will improve overall management in this area.

RESEARCH

- Q1. In what geographic areas and for what species has FS expanded its research activities since 1975?
- A1. Fish and wildlife research in the Forest Service has expanded primarily in the anadromous fish, endangered species, and nongame wildlife programs. Groups of animals are often categorized for research or management purposes and are not singled out as to individual species.

Researchers in the Forest Service have also taken on the task of data compilation for many species and groups to provide information about habitat needs and characterization and makes the information available to land managers. The compilation efforts are regional in scope and include hundreds of vertebrate species.

Specific studies since 1975 have focused on the following species by State:

Oregon, Washington, Idaho, California, and Alaska: spotted owls, accipiter hawks, prairie falcons, pileated woodpeckers, mule deer, elk, eagles, California condor, peregrine falcon, blunt-nosed leopard lizard, moose, caribou, snowshoe hare, red squirrels, Northern red-backed voles, tundra voles, Sitka black-tailed deer, mountain goats, chinook salmon, coho salmon, sockeye salmon, pink salmon, chum salmon, steelhead trout, cutthroat trout, Dolly Varden.

Montana, Idaho: Grizzly bear, deer, elk, chinook salmon, and steelhead trout.

Colorado: Beaver, nongame bird species, and small mammals.

Arizona: Mexican duck, bald eagle, peregrine falcon, Yuma clapper rail, squawfish, Gila topminnow, Arizona trout, Gila trout, woundfin minnow.

South Dakota: Nongame bird species, deer, small mammals, and waterfowl species.

Minnesota, Wisconsin: Timber wolf, Kirtland's warbler, fisher, marten, bald eagles, waterfowl species.

Missouri: Bald eagles, Indiana bat, and gray bat.

Texas: Waterfowl species (mainly puddle ducks), pheasant, quail, deer, pronghorn antelope.

Louisiana: Deer, quail, cavity-nesting birds, song birds.

South Carolina: Red-cockaded woodpeckers, Bachman's warbler.

Puerto Rico: Puerto Rican parrot.

Delaware: Delmarva squirrel.

- Q2. Has FS taken full advantage of the data available from Montana and other States?
- A2. The Forest Service research program for fish and wildlife makes every effort to utilize available data from all Agencies and organizations that have done research. For example, the Forest Service has utilized research results of the Montana Cooperative Wildlife Research Unit concerning grizzly bear movements and home ranges. Information developed through research efforts of the Missouri Department of Conservation on wild turkey habitat needs in the Ozark Plateau region is used by the Forest Service in management of the Mark Twain National Forest. Waterfowl census and habitat needs information developed by the Minnesota Department of Natural Resources is used by the Forest Service in management of the Chippewa National Forest. Hundreds of other examples could be cited.
- Q3. What progress has been made on researching the effects of silvicultural practices on regil (sic) water quality (sec. 208) programs? Have EPA and FWS been involved to provide technical assistance? How reliable is the research in the Pacific Northwest with respect to sedimentation of salmon spawning habitat? Are there any tentative conclusions which researchers have drawn as yet?
- A3. Considerable research progress has been made in evaluation of the effects of silvicultural practices on water quality (nutrient and sediments). Research has been conducted on a number of headwater watersheds throughout the United States including Hubbard Brook (NH), Coweeta (NC), H.J. Andrews (Ore.), and Entiat (WA). Some progress has also been made in studies to determine how sediment moves from these small headwater watersheds characterized by intermittent, small streams to rivers and streams further downstream which contain the bulk of the salmon spawning habitat.

The Forest Service coordinates its water-quality research with a number of Federal and State Agencies including EPA and FWS. Memorandums of Understanding have been developed to ensure coordination with other USDA Agencies, EPA, BOM, OSM, and DOE. An example of such coordination with EPA includes a contract through which the Forest Service developed "An Analysis of Research and Development Needs on Nonpoint Source Water Pollution in Forest and Rangelands."

We expect to attain reliable research information concerning sedimentation of salmon-spawning habitat. Laboratory studies are yielding information concerning hatching and survival of emerging young. The data have not been fully analyzed, but suggest that sedimentation sampling at egg-deposition sites will yield predictive information on survival rates. Currently, most research is still laboratory oriented. Actual field operations will soon be underway in Idaho.

- Q4. The FS has a good feeling for how varying physical conditions affect timber productivity, but what is it doing to research physical requirements of fish and wildlife so their productivity can be estimated under a range of conditions resulting from activities associated with other resource systems?

- A4. Practically all of the fish and wildlife research conducted by the Forest Service is directly related to habitat needs. Once definitive information is available for habitat needs, productivity estimates can be developed based on predictions of changes in habitat quantity and quality resulting from resource management activities.

STATE AGENCY INVOLVEMENT

- Q1. What was the nature and extent of State agency involvement in the development and analysis of fish and wildlife data for the 1979 Assessment?

- A1. Each State was asked to estimate the population and relative trends of individual species and groups of species from the mid-1950's to the mid-1980's. Supplementary information concerning desired population levels, principal barriers to achieving those levels, and use by major land ownership was also requested. The data was computerized and returned to each fish and wildlife agency for review and concurrence. Where requested, funding was provided to defray State expenses. In total, data were provided by 49 States and all principal territories and possessions. (Also, refer to responses under "DATA ADEQUACY.")

The principal work in compiling animal-habitat relationship data was carried out by the Forest Service. In most areas, however, individual States, territories, possessions, and other Federal Agencies provided major portions of the information.

From fall 1976 through spring 1977, a representative of the States sat with representatives of Federal Agencies and public interest groups on the RPA Wildlife and Fish Element Council. Assessment plans and expectations were submitted to the Council for review, modification, and concurrence.

- Q2. How was this greater than the level of involvement in 1975?
- A2. Very tight time constraints did not allow for meaningful State involvement in 1975 other than through the normal public involvement process.
- Q3. During the 1977 oversight hearings, Mr. Michael Zagata of the National Audubon Society stated there were "gaping holes" in the wildlife data from some States. What has been done to plug these holes, and how successful have these efforts been in doing so?
- A3. Available demand and supply data were compiled for each State for the 1979 Assessment. A national standard procedure was formulated to compile animal-habitat relationships data. Public agencies, frequently contracting with experts, compiled as much data as possible. In areas where data were not available, tentative data were computer-simulated on the basis of ecological similarities with adjacent areas for which data were available. Both the directly compiled and simulated data were then verified to the extent possible by experts under contract.

There is now an ongoing interagency effort in cooperation with the States to improve wildlife habitat relationships data.

The FS and FWS jointly developed standardized Procedures for Describing Wildlife and Fish as a critical information storage system by individual States. The Forest Service and other Agencies are encouraging adoption of the system by providing both technical and financial assistance, in recognition that the Assessment is dependent upon the information held and developed by the States.

- Q4. Why doesn't FS fund State efforts to gather and maintain fish and wildlife information similarly to the way SCS has given States funds in connection with RCA?
- A4. When preparing the 1979 Assessment, the Forest Service worked with all States and U.S. territories to collect standardized wildlife data. In cases where States needed supplemental funding to respond to Forest Service needs, additional dollars were provided. We have discussed the need for more uniform State wildlife data with other Federal Agencies such as the Fish and Wildlife Service and the Soil Conservation Service. We are also currently preparing an assessment of specific information needs. Funding for data collection will, in part, depend on our ability to identify specific data that are not readily available.
- Q5. To what extent does FS work together with State and Federal fish and wildlife Agencies to identify species and to determine population goals for important species?
- A5. Forest Service policy requires full cooperation with State and Federal Agencies to identify species and to determine population goals for important species. A comprehensive wildlife and fisheries plan for National Forest lands has been prepared, pursuant to Public Law 93-452 (Sikes Act), in cooperation with each State. Each State wildlife and fisheries Agency Director is a signator to these plans. On the local level, the States, the Forest Service, and other Federal Agencies conduct joint population surveys, share habitat and population information, and participate in joint public education efforts. Forest planning currently underway will involve State and Federal Agencies in a cooperative effort to establish population goals that are compatible with other multiple uses.

USDI/USDA COORDINATION

- Q1. What is the extent of USDI input into RPA at present? Specifically, what impact has USDI had on the conduct of RPA? Is this considered sufficient?
- A1. Agencies of USDI have been involved throughout the 1980 RPA process. Basic resource data for land area, timber, range, fish and wildlife, water, outdoor recreation, and minerals were provided by USDI and used in the Assessment. The overall contribution of USDI helped to improve the accuracy, content, and scope of both the Assessment and the Program. Specific recommendations made by USDI were incorporated into the RPA documents. Some sections of the Assessment were prepared by USDI personnel.

For example, one of the principal authors of the Fish and Wildlife section of the 1979 Assessment was Charles Cushwa of the FWS. Larry Dunkeson, FWS, was the author of the waterfowl section of the Assessment. Bob May of the Bureau of Mines contributed much of the background material on minerals. Many others made important contributions.

*what has
happened
under this
MoA.*

In response to the President's 1979 Environmental Message, USDA and USDI have established a formal agreement to improve coordination in long-term planning between USDA's RPA, RCA, and RREA, and USDI's BLM effort. The agreement covers inventory, data collection, national projections of supply and demand, policy analysis, budget coordination, and common planning cycles. When fully implemented, the agreement will provide a formal basis for USDI involvement in the RPA process.

USDA and USDI Agencies with major inventory responsibilities have also signed an Interagency Agreement Related to Classification and Inventories of Natural Resources. The purpose of the agreement is to provide for liaison and cooperation between the Bureau of Land Management, Fish and Wildlife Service, Forest Service, Soil Conservation Service, and Geological Survey in inventory, appraisal, assessment, and planning activities. As part of the agreement, all of the Agencies have assigned personnel to the Forest Service Resources Evaluation Techniques Program in Fort Collins, Colorado. This Program has responsibility for developing inventory and analysis techniques for renewable resource assessment and appraisal.

Because this working relationship is well established, we expect an even greater involvement by USDI Agencies in future RPA updates.

- Q2. What is the level of USDI involvement at the field level in implementing the Renewable Resources Program?
- A2. In most areas of the country, USDI Agencies designated specific individuals to work with the Forest Service in the development of the RPA Assessment and Program. Also, at the field level, USDI Agencies and the Forest Service are working together to implement the RPA Program. For example, USDI Agencies and the Forest Service are coordinating to meet wood for energy needs, improve wood utilization, develop geothermal resources, prepare environmental analyses, complete land management plans, and in other ongoing programs.
- Q3. Are BLM and FWS personnel involved in the development of Forest plans?
- A3. BLM and FWS personnel are actively involved in the development of Forest plans. Under NFMA regulations, Forest Supervisors are responsible for seeking the assistance of other Federal Agencies including BLM & FWS. Basic resource inventory data are shared. BLM and FWS also help to identify local issues and concerns and formulate responsive management alternatives. Formal response is sought from BLM and FWS concerning the environmental impact of alternative management directions.



DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D. C. 20250

DEC 05 1980

Honorable James H. Weaver
Chairman, Subcommittee on Forests
Committee on Agriculture
House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

In response to your November 25 letters to Max Peterson and me, the Department of Agriculture has no further statements beyond that included with this transmittal to submit for the November 20 hearing record. The enclosed material is a partial response to the Subcommittee's request for answers to several questions concerning the Resources Planning Act Program. More time is needed to complete the answers to all of the questions but in an effort to comply with the December 5 closing date for the record, we are submitting all work that is completed. We will complete work on the rest of your request and submit the material to you soon after December 5. We suggest that if this additional material cannot be included in the record, that it be included in the Committee file on the hearing.

We appreciate the prompt congressional response to the Resources Planning Act documents.

Thank you for your continuing interest and attention to Forest Service programs.

Sincerely,

A handwritten signature in cursive script that reads "Jim Williams".

Jim Williams

Deputy Secretary

Enclosure

Questions and Answers

1. Q. In the Recommended Program, what is the amount of the fiscal support that the Timber element receives from each of the other resource elements? What is the amount of support that each resource element receives from Timber? How much of each element is designated for Land Management Planning?
- A. Construction of the RPA data base did not include separation of fiscal support provided for timber from each other element, nor did it include the support other elements receive from timber. However, we can provide an approximation of this support for 1981. The timber element includes fiscal support from Recreation 4.9 percent, Fish and Wildlife 1.4 percent, Range .1 percent, Water 1.3 percent, Soil 1.5 percent, and Minerals 1.6 percent for a total of 10.8 percent. The timber line item appropriation provided 1 percent of its dollar value to other elements in 1981.

Two types of support costs are identified in the RPA data structure: those that are determined to be solely in support of a particular resource element; and those that jointly support more than one resource element and cannot be associated with any specific resource element. This support is limited to four elements; protection, lands, soils, and facilities.

Joint support costs are allocated to each resource element according to the relative benefits derived.

The Recommended Program includes most of the Land Management Planning activity and costs in the lands support element. However, the following tabulation shows the 1981 budget estimate for Land Management Planning and the approximate distribution of these dollars:

	<u>Million Dollars</u>	<u>Percent</u>
General	.2	1
Recreation & trails	5.3	25
Wildlife	1.2	6
Range	1.1	5
Timber	4.3	21
Water	1.5	7
Minerals	.5	2
FR&T	3.7	18
Fire protection	3.0	14
	<u>20.8</u>	

2. Q. How much of the Facilities support element is designated for road construction for each resource element? Is this adequate in terms of output and dollars to meet targets for each resource element?

- A. The amount of road dollars from the Facilities support element that are used to support the resource elements is shown in the table below. Data base development at the regional level concurrently considered support facilities, including arterial and collector roads, that were needed to adequately carry out the associated resource element targets.

Table.--Road Contribution (Arterial and Collector) Recommended Program -
Facilities Support to Resource Element - Million \$

Element	1981		1985		1995	
	High	Low	High	Low	High	Low
Recreation	7.8		15.7	7.8	29.2	20.6
Wilderness	0.6		1.3	0.6	2.0	1.6
Wildlife & Fish	2.1		5.8	2.1	6.1	3.8
Range	1.0		2.5	1.0	2.6	2.6
Timber	53.3		68.6	63.0	95.6	94.9
Water	1.0		2.8	1.0	2.9	2.3
Minerals	1.4		2.7	1.8	4.9	3.3
Total	65.8		99.4	77.3	143.3	129.1

3. Q. What are the unit costs by Region of the Recreation element for Alternative 4a?

- A. Regional unit costs for the Recreation element are shown on the following tables. Unit cost relationships for both developed and dispersed recreation are provided.

Unit Costs for Dispersed Recreation

		R-1	R-2	R-3	R-4	R-5	R-6	R-8	R-9	R-10
1985	Mil. RVD	9.25	20.35	12.59	20.50	35.07	21.80	22.15	19.50	5.07
	Unit Cost	\$0.61	0.59	0.51	0.34	0.60	0.94	0.43	0.49	0.43
1995	Mil. RVD	11.58	23.80	14.85	24.0	39.10	26.30	26.37	23.06	8.09
	Unit Cost	\$0.65	0.57	0.49	0.31	0.66	0.91	0.40	0.50	0.30
2025	Mil. RVD	14.57	34.01	18.12	33.0	47.95	33.48	40.75	28.10	10.0
	Unit Cost	\$0.57	0.50	0.49	0.23	0.71	0.89	0.32	0.49	0.27

SOURCE: Computer Printout 10/9/79

Unit Costs for Developed Recreation

		R-1	R-2	R-3	R-4	R-5	R-6	R-8	R-9	R-10
1985	Mil. RVD	3.89	16.34	11.79	10.54	23.92	15.01	11.21	8.62	2.02
	Unit Cost	\$1.73	1.09	1.22	2.08	1.69	1.18	1.79	2.98	3.56
1995	Mil. RVD	4.69	21.64	13.48	15.23	29.35	16.54	13.65	10.03	2.71
	Unit Cost	\$1.39	0.77	1.33	0.96	1.32	1.12	1.32	3.02	3.03
2025	Mil. RVD	6.02	28.83	17.96	17.01	37.88	18.42	16.45	10.58	4.22
	Unit Cost	\$1.02	0.54	0.89	1.11	0.98	0.99	1.10	3.93	1.95

SOURCE: Computer Printout 10/9/79

4. Q. Why are the output and dollar figures for the High Bound of the Recommended Program for Fish and Wildlife, Recreation, and the total NFS program lower than what was recommended in the Portland Program, while the output and dollar figures for Timber and Range remain the same or are higher?

- A. Input from the Regional Foresters and Directors was subjected to more detailed examination following the Portland meeting. This resulted in a different resource mix in the final Recommended Program based on further economic, social, and environmental analyses.

As part of the decision criteria, the trend in past real growth in the Forest Service budget helped establish future budget direction at the High Bound. Through the economic, social, and environmental analyses, the best resource opportunities were incorporated into this High Bound of the Program.

5. Q. Why is the cost of the Timber and Wilderness elements of the Portland Program higher than the High Bound while having equal or lower outputs?

- A. Wilderness element costs in the Portland Program are higher than the High Bound Recommended Program because of a different mix of full and reduced service levels of management. In other words, the Portland Program provides for more full service level management, but on about 17 percent fewer total wilderness acres over the planning period. Increased wilderness costs for the Portland Program average about 18-20 percent above the High Bound program.

Timber element costs for the Portland Program are slightly above the High Bound program through 1988. After this year, the High Bound program cost is higher. During development of the High Bound timber

program, more detailed analysis on a Region-by-Region basis resulted in lower costs during the first 10 years of the planning horizon.

6. Q. The High Bound of the Recommended Program increases the Timber output above any of the other Alternatives. Was this increase reviewed by the Regions, what were their comments, and how were their comments considered when the final Program was developed? Was the fiscal support necessary to meet these targets increased accordingly?
 - A. The High Bound total for NFS timber output in any year is well below alternative 1. The Regions participated in the decisionmaking sessions in formulating the program and assisted in recalculating investment schedules to meet timber output levels in the final Recommended Program.
7. Q. Show disaggregated costs by Region for each element for alternative 4a compared to the Recommended Program.
 - A. See table on next page.
8. Q. In addition to management of wilderness and recreation areas, the recreation program budget includes landscape management and design services for resource development activities, historical and cultural site inventory and protection, input to the land management planning process, support for other resource programs, and other projects. How are recreation funds allocated to each of these activities? After supporting these various activities do adequate funds remain for the key elements for delivery of a recreation program, e.g., work force, maintenance?
 - A. Recreation funds for landscape management, historical and cultural site inventory and protection, input to the land management planning process, and support for other resource programs are allocated based upon a program of work developed by Regional Foresters and their staffs. Actual allocations are to be responsive to RPA direction and varies among Regions from year to year. Records of them are not readily available in the Washington Office.

With the Low Bound of the Program, budget and workforce levels for full recreational services and facilities would not be provided. The High Bound provides for adequate budgets and workforce for delivery of a full service and facility recreation program.

9. Q. The High Bound for the Recreation element indicates a reduction in unit costs until 1995. How will this reflect in the maintenance and operation of recreation sites, the quality of the recreation experience, and the ability to meet the rising demand for recreation opportunities?
 - A. The recreation element in the High Bound of the Program is responsive to the public demand for increased recreation opportunities. Recreation funding at the High Bound level would provide adequate resources to

maintain and upgrade recreation sites and provide a quality recreation experience. All Regions would provide a full level of service to the public while fully protecting environmental values.

10. Q. Is it true that the YCC and YACC programs provide the large majority of the work force for the recreation program? If this supply of work force was extinguished, what would be the necessary increases in the recreation program to sustain and increase the program and the quality of the recreation opportunities provided by the Forest Service?
- A. YCC and YACC programs contribute to the accomplishment of many recreation activities. In FY 1980 6 percent of the developed site capacity was supported by YCC and YACC enrollees. RPA Alternative Program Direction activities and cost requirements were estimated without regard for potential contributions that might be made by Human Resource Programs. At the High Bound of the Recommended Program, YCC and YACC would supplement recreation management and improve the visitors quality experience level. At the Low Bound, YCC and YACC contributions would mitigate the reductions in recreation management by an estimated 10 percent. Loss of YCC and YACC programs would adversely effect the quality experience level of a recreation visit on NFS lands.
11. Q. The policy direction stated in the Program for recreation development on NFS lands is that "new emphasis will be placed on energy efficiency in recreation use and development including making recreation opportunities more accessible, usable and enjoyable for urban residents" (p. 134). Is the Forest Service therefore shifting financial and personnel resources to cope with greater recreational activity in forests near urban centers? How does the Forest Service intend to cope with heavier recreational use on some forests? Will timber production targets be reallocated, with more remote forests being subject to heavier cut? What other resources will be affected, and how, by increased recreational use in some forests?
- A. The President's Statement of Policy states that "Recreation facilities will be maintained, improved, and developed in a way that complements dispersed recreation and encourages energy conservation by providing greater recreational opportunities to areas closest to urban residents." This statement supports and is a part of the policy direction in the Program. This will not change our dedication to providing appropriate recreation opportunities for urban populations, nor reduce recreation quality or promote overcrowding in urban-adjacent areas. Our planning and management for all areas will remain cost conscious. The objective is to make recreation opportunities meaningful and accessible in an energy efficient manner for urban populations. Means for accomplishing this objective include actions such as location and design of recreation facilities to encourage access by public transportation systems and informing urban residents of these opportunities.

Adjustments to meet emerging recreation demands and impacts can be made by the Regional Foresters during development of the annual program budget.

Timber production targets will not simply be reallocated to more remote forests to accomplish recreation objectives. Instead, as part of developing regional and Forest plans, the Regional Foresters and Forest Supervisors will address the integration of recreation opportunities with the production of all other resource values.

12. Q. One of the Program goals for recreation is to "encourage investment of private risk capital for development of appropriate facilities and services on NFS lands" (p. 37). What incentives will the Forest Service provide the private sector to invest on public lands?
- A. Private capital investment in facilities for services on National Forest System lands will be encouraged by providing a management climate and opportunity that will assure a profitable return on the investment. We will consider and/or recommend options such as fewer regulations, more private sector responsibility, tax incentives, less competition from Government facilities, and complimentary programs to support private expertise in planning and inspection. Thorough demand analysis, established management plans, and increased cooperation, we will assist the private sector in determining if an investment on National Forest System lands is feasible.
13. Q. Why does the S&PF Recreation Program only provide assistance for non-income producing outdoor recreation? How does the Forest Service coordinate management and planning of all State and Federal forest lands?
- A. The Forest Service's S&PF outdoor recreation program is designed to be coordinated with the Soil Conservation Service (SCS) recreation program. By USDA agreement, SCS offers assistance to those landowners who request outdoor recreation development advice involving income producing activities on their lands. Forest Service's S&PF program assistance is through forest management plans where outdoor recreation values, as well as other multiresource opportunities, are considered. Through the development of the management plan, landowners are advised of the various dispersed outdoor recreation benefits available on their lands. The Forest Service will use the regional planning process and State Forest Resource Plans to coordinate management and planning on State and Federal Forest lands.

The State SCORP/HCRS plans provide an important part of the underlying information that helps guide State Forest Resource Planning.

14. Q. A new policy under the Recommended Program is that the Forest Service will increase recreation user fees to bring them more in line with costs and decrease the competition with private sector recreation opportunities. Does this policy apply to both developed and dispersed recreation? Wilderness use? Will the charges be ascertained only by consideration of operational and maintenance costs or will it also consider demand and value of individual recreation areas? How are demand and value measured in conjunction with private sector initiatives?

- A. The action discussed in the policy issue, User Payment for Recreational Opportunities, states that our intent is to implement actions to recover more of the direct operation and maintenance costs. Our current goal is to recover at least 70 percent of the direct operation and maintenance costs of our charge sites. Because of the difficulties of cost-effective administration and of determining recreation area values relative to the private sector, more detailed analysis and coordination with other Federal agencies is needed before this policy can be effectively applied beyond charge sites.

The Water Resources Council has suggested developing values based on the travel cost approach. However, they have not addressed the method of applying this technique on a national basis. Another alternative is to use average market values such as campground fees, from the private sector where comparable sites exist. This situation does not occur in many areas nor for many recreation activities such as hiking and boating. We have begun some work on differential pricing by location from comparable sites.

15. Q. It has been suggested that better data on recreation areas, wilderness areas, wild and scenic rivers, and other nonmarket services of public lands is needed. In light of Forest Service responsibility to assess the Nation's renewable natural resources every 10 years, do you have any plans for the establishment and maintenance of this kind of data?
- A. Regional and Forest plans being developed under the provisions of the National Forest Management Act of 1976 will gather much of this information. Several of our research projects are addressing such areas and are providing background data and user/market management trends.
16. Q. The NFS Recreation element has the second highest present value benefit next to Timber. Alternative 4a has the highest present net worth for timber, recreation, and wilderness and is in the higher reaches of the Recommended Program's range for all the other elements. Why was this alternative not chosen based on present net worth values? Why is the present net worth of recreation of the High Bound lower than Alternative 4a? Why is the present net worth of the Recommended Timber Program higher than Alternative 4a?
- A. The final Recommended Program was not selected on the basis of present net worth alone. As explained in chapter 2 on pages 164 and 165 of the Program document, several decision criteria including economic, social, and physical/biological considerations were evaluated during final program selection. The present net worth of recreation in the alternative 4a is higher than the High Bound primarily because the number of RVDs are higher as shown in figures 4.1 and 4.2, page 416 of the Program document. The present net worth of the timber program was larger in the High Bound because it provided for both intensive and extensive management rather than just intensive.

17. Q. A Journal of Forestry article (King, David A. and Lawrence S. Davis, "Recreation Benefit Estimation: A Discussion Summary," January, 1980) states that "there is agreement that the unit-day value approach [in estimating recreation benefits] has no solid basis in theory or objective empiricism." What is the Forest Service doing to increase its capability of measuring recreation cost-effectiveness? How is the Forest Service increasing the reliability and accuracy of data, definition of outputs, and relationships of inputs to outputs? How much will it cost to develop the necessary methodology? Will it be ready to use for development of the 1985 RPA?

A. The theoretical basis depends upon the methods used and data available to make "unit day value" estimates. The advantage of established "unit day values" is that they can be inexpensive to develop and will usually keep us within the "ball park" for low cost projects where a more sophisticated analysis cannot be justified.

The Water Resources Council has studied extensively the various methods for making recreation value estimates. They selected the "travel cost" as the preferred method. The Corps of Engineers, Soil Conservation Service, and other WRC member agencies will try to use the "travel cost" where possible. However it has been determined that smaller projects, i.e., PL-566 watershed projects, could not always justify the added expense and would revert to the "unit day value" concept where necessary.

We will continue to monitor these WRC agencies as they implement the "travel cost" method in various parts of the U.S. We will use new values that are developed from these studies as appropriate. Currently, we are evaluating ways to improve our evaluation techniques. A study plan is currently being developed that will outline how we plan to revise values for the 1985 update.

A. Yes, a variety of activities were used to develop the recreation and wildlife and fish values. For instance, dispersed recreation values include camping in remote areas, hiking, backpacking, horseback riding, off road vehicle use and other activities that take place in a dispersed recreation area.

19. Q. In developing recreation values the Forest Service used available research data and unit values, adjusted them for general price increases and then considered in determining the final values:

(1) Available alternatives, access, facilities, recreation activities, aesthetics, and environmental quality.

(2) Scarcity and possibilities of substitutes.

(3) Cost of travel to a facility in money and time.

How were these used in determining final values? Please be specific.

- A. Empirical studies aimed at estimating recreation benefits were reviewed. Available information shows the range of values per visitor day for those studies that contained sufficient information for making calculations.

Unfortunately, these studies are not fully comparable for a number of reasons ^{1/}:

1. different ranges of alternatives are available to users of each site on which the models were based;
2. different distributions of population exist in the market areas of each site;
3. the tastes and socio-economic characteristics of users may differ in each market area;
4. the studies were carried out in different years, during which time, prices, incomes, leisure, and tastes may well have changed;
5. different models are used which employ different variables and/or specification of the functional form of their relationship;
6. different values are used for variable travel cost per mile and time cost per hour (where time is included).

A further problem is that few of these efforts have been aimed at the particular kinds of opportunities provided by the Forest Service. Water resource projects have been subjected to benefit cost analysis for a long period of time, therefore, many of the studies have focused on reservoir recreation. Parks have also been a common focus for benefit estimation studies. Few studies have been made of dispersed back-country use that is an important output of National Forest Management.

Professional judgment had to be used. For instance, there have been more studies of the values of developed public recreation sites than

^{1/} While past studies have not been consistent and comparable, the experience that they have provided makes a solid foundation for subsequent studies. Guidelines for these studies are provided by Dwyer, Kelly, and Bowes (1977).

any other category of recreation. However, the results have been highly variable. Values per recreation day for developed sites range from a few cents to \$6.50.

As is the case with all recreation outputs, the value of an experience is likely to vary considerably from place to place and Region to Region. High values are likely to be associated with areas where (1) opportunities for developed recreation are scarce, (2) large population centers are nearby, and (3) existing opportunities are heavily used and congested. If new opportunities for developed recreation cause a shift of use from congested areas and consequently increase the value of those areas, this increase in value is appropriately attributed to the new opportunities that induced it.

Lower values were associated with areas where (1) opportunities for developed recreation appeared abundant, (2) few population centers exist and (3) existing recreation opportunities are not heavily used.

20. Q. The Fish and Wildlife Service takes a national recreation survey every five years. Is the Forest Service working with this agency to take advantage of the economic data provided by this survey?
- A. Yes, it is specifically referred to on page 174 of the Assessment as a principal source of descriptive data. The Forest Service will continue to work with the Fish and Wildlife Service and other agencies to obtain and use the best information available for RPA Assessment and Program development.
21. Q. Fish and wildlife values are measured in recreation visitor days (RVD) the same as recreation. What precautions were taken to preclude double counting of the resource base?
- A. For purposes of value determination and to avoid double counting, the National Forest's Recreation Information Management (RIM) system was used. This system measures recreation visitor use by type of activity including wildlife and fish recreation visits. Crosschecks were made with field collected RPA data.
22. Q. What is the status of planning for departure from the nondeclining-evenflow. Please be as specific as possible on where and when this policy might be implemented. In general, how would other Forest Service programs be affected in areas where this policy would be implemented--especially nonmarket goods and services? If new areas are to be roaded to provide access to old growth timber, is there enough money budgeted for road construction? Fish and wildlife protection? Maintenance of high water quality standards as required by statute? Will it be consistent with another recent Forest Service policy of providing recreation areas in closer proximity to urban areas?
- A. In response to President Carter's direction to consider departure from nondeclining-evenflow, the Forest Service has reordered its priorities

for completing individual National Forest plans so as to concentrate planning efforts on additional National Forests which have a large inventory of old-growth softwood suitable for home construction. The National Forest System land and resource management planning regulations and the Forest Service Manual provide specific direction in formulating alternatives for the management of all National Forest resources. This process will provide an opportunity to examine a broad range of National Forest production possibilities, associated costs, and environmental effects for all resources. The Forest plan will give specific consideration to a range of increases of timber harvests over recent cutting levels for the first decade of the planning period.

National Forest plans will be subject to the requirements of the National Environmental Policy Act of 1969, which provides an opportunity for public input as National Forest land and resource management plans are developed. Any departure proposed by a Regional Forester are subject to approval by the Chief of the Forest Service. The impact of departures on other Forest Service programs will not be known until the planning process is complete for the National Forests or at least much further along than it is at this time.

The National Forest planning process is expected to be completed in 1985. Forty National Forests have been identified by the Forest Service where departure may be a viable option. The following 16 National Forests have been selected for accelerated planning:

National Forests with completed draft plans or scheduled to have completed draft plans within the next 6 months:

Lolo
Sierra
Deschutes

National Forests scheduled to have completed draft plans by December 1981:

Mt. Hood	Shasta-Trinity
Kootenai	Siskiyou
Six Rivers	Wallowa-Whitman
Klamath	Olympic

National Forests scheduled to have completed draft plans by December 1982:

Gifford Pinchot	Mt. Baker-Snoqualmie
Rogue River	Wenatchee

The 1981 budget request included a 5.6 million dollar supplement above RPA to accelerate Land Management Planning, advance timber sale preparation, road engineering, and support services on those National

Forests identified as having potential for departures. This will permit reasonable attainment of an increased program if a decision is made to depart from nondeclining-evenflow. Engineering construction funds were not requested because we have not progressed to the point that these funds could be programmed effectively. We will be requesting these funds in the year preceding implementation of a departure decision.

23. Q. Why wasn't the possibility of departure considered in the Report to Congress?
- A. Departure was considered and discussed in the Report to Congress. In order to carry out the intent of the Departure from evenflow timber harvest policy, land management planning must initially develop and consider the possibility for departure. Departures can be considered when any of the following conditions are indicated:
- (1) High mortality losses from any cause can be significantly reduced or prevented as forest age class distribution can be improved.
 - (2) Where there would be substantial adverse economic impact on local dependent communities from the regular harvest schedule.
 - (3) No other alternative would provide a timber harvest schedule that achieves the goals of the program.
24. Q. The Multiple-Use Sustained Yield Act of 1960 (16 U.S.C. 528) states that forest land management will be conducted "with consideration being given to the relative values of the various resources, and not necessarily the combination of uses that will give the greatest dollar return or the greatest unit output." What does the Forest Service ascertain as its responsibility to provide recreation as a public service, or a good that will return a high dollar value to the Government?
- A. The underlying philosophy of the Forest Service program remains "the greatest good for the greatest number." It is not the greatest good for any individual or interest group. If adding an additional unit of recreation would increase total net benefits by more than a comparable increase in units of any other resource, then our policy would be to increase recreation. In other words, we strive to allocate our resources so that society as a whole will benefit most. We believe the RPA process, which is based on an Assessment of society's needs, resource values, policy analysis, and social, as well as economic criteria will get us closer to achieving "the greatest good for the greatest number" than we've ever been before.

25. Departure from nondeclining-evenflow and fisheries

President Carter directed the Forest Service to depart from the nondeclining-evenflow policy. It is difficult for me to understand how Congress can be expected to review the 1980 RPA, a major planning and policy statement, when it does not know what effect the most recent policy change will have.

A. Q. What is the status of departure planning and what effect will it have on the 1980 RPA and on regional and forest plans now underway?

A. In response to President Carter's direction to consider departure from nondeclining-evenflow, the Forest Service has reordered its priorities for completing individual National Forest plans so as to concentrate planning efforts on additional National Forests which have a large inventory of old-growth softwood suitable for home construction. The National Forest System land and resource management planning regulations and the Forest Service Manual provide specific direction in formulating alternatives for the management of all National Forest resources. This process will provide an opportunity to examine a broad range of National Forest production possibilities, associated costs, and environmental effects for all resources. The Forest plan will give specific consideration to a range of increases of timber harvests over recent cutting levels for the first decade of the planning period.

National Forest plans will be subject to the requirements of the National Environmental Policy Act of 1969, which provides an opportunity for public input as National Forest land and resource management plans are developed. Any departure proposed by a Regional Forester are subject to approval by the Chief of the Forest Service. The impact of departures on other Forest Service programs will not be known until the planning process is complete for the National Forests or at least much further along than it is at this time.

The National Forest planning process is expected to be completed in 1985. Forty National Forests have been identified by the Forest Service where departure may be a viable option. The following 16 National Forests have been selected for accelerated planning:

National Forests with completed draft plans or scheduled to have completed draft plans within the next 6 months:

Lolo
Sierra
Deschutes

National Forests scheduled to have completed draft plans by December 1981:

Mt. Hood	Shasta-Trinity
Kootenai	Siskiyou
Six Rivers	Wallowa-Whitman
Klamath	Olympic

National Forests scheduled to have completed draft plans by December 1982:

Gifford Pinchot	Mt. Baker-Snoqualmie
Rogue River	Wenatchee

The 1981 budget request included a 5.6 million dollar supplement above RPA to accelerate Land Management Planning, advance timber sale preparation, road engineering, and support services on those National Forests identified as having potential for departures. This will permit reasonable attainment of an increased program if a decision is made to depart from nondeclining evenflow. Engineering construction funds were not requested because we have not progressed to the point that these funds could be programmed effectively. We will be requesting these funds in the year preceding implementation of a departure decision.

- B. Q. Can the Fish and Wildlife goals of the High Bound still be met with departure?
- A. The opportunities for departure won't be known until forest planning is completed, therefore the effect on other RPA targets, such as those for Fish and Wildlife, can not be determined at this time. The effects of departure will be carefully analyzed in the Forest Land Management Planning process.
- C. Q. How will anadromous fish be affected by achieving the Senate goal of 90 percent of the land's potential timber productivity?
- A. Achievement of the Senate White Paper goal of 90 percent of potential timber productivity would not by itself significantly offset achievement of anadromous fish targets. However, if timber harvest levels were to increase in the future without adequate soil and water protection, the potential for a negative impact would exist. This is why the USDA response to the White Paper suggested caution in setting a goal such as 90 percent of productivity without an accompanying economic, social, and environmental analysis.

26. Multiresource Interactions

The Forest Service still gives no indication of having the ability to predict when the activities of one resource such as timber begin competing with other resource systems such as wildlife. Or when projects justified by a single-use have secondary benefits for other uses.

The Assessment is a good beginning at delineating the supply of individual resource and land bases. The progress of forest plans will increase that knowledge of supply. But we need to know where the interface occurs between and amongst resources when there is change in the management of or investment in one resource.

- A. Q. The Assessment introduces an analytical model that has the potential for quantifying multiresource interactions -- Multi Resource Use Interactions. Does this model have prediction capabilities of the effects of multiresource interactions? If not, what is being done to develop this capability?
- A. Work has been underway for some time to develop a model that could provide highly generalized information about the effects of resource tradeoffs at the national and regional levels within preestablished conditions, constraints, and assumptions. The model predicts the resource and environmental effects of meeting projected timber and grazing demands. Work is continuing on this model to improve its capability.
- B. Q. What are the plans for use of this model for the 1985 RPA update? If not, how much would it cost to make it reliable for use for the 1985 update?
- A. Our present plans are to continue model development efforts using the 1985 RPA update process to validate and improve the model's capability and reliability. The model is complex and subject to many variables that significantly effect its results. We believe that the land management planning process now underway will provide the best possible verification for the model's future use. Time and completion of the land management planning process rather than dollars are the most constaining factors in its further development.
- C. Q. At the Forest level, land management planning data is collected and analyzed by FORPLAN -- a model that responds to given alternative strategies for a site specific piece of land. What are the plans for coordinating FORPLAN with a multiresource interaction model?
- A. FORPLAN is an allocation and scheduling system which we will be using at the Forest planning level to identify production flows within environmental constraints through time. It features linear programing to predict effects, inputs, and outputs for specifically defined management prescriptions. FORPLAN is a multiresource interaction model that will provide significantly better interaction data and information than a more generalized regional or national model. This information will help to collaborate national-regional multiresource models and improve their reliability for future use.

ADDITIONAL MATERIAL SUBMITTED TO THE SUBCOMMITTEE

RESPONSES FROM CHARLES BOOTHBY
NATIONAL ASSOCIATION OF CONSERVATION DISTRICTS
TO QUESTIONS SUBMITTED BY
HON. JIM WEAVER

- (1) The SCS will in the near future be submitting similar Assessment and Program documents to the Congress under the Resource Conservation Act (RCA). The RCA documents will focus primarily on soil and water resources.
- A. Which set of documents--RPA or RCA-- best assesses the soil and water resource base and successfully addresses and presents their associated problems?
 - B. Which set of documents has made best use of public participation in addressing and responding to soil and water needs and problems? How do they compare in presentation and comprehension for use by citizen's groups such as yourself?
 - C. How do you see the two Acts working together in protecting and enhancing our soil and water resources?
- 1A. RCA is the only document which really looks at the soil and water resource base. RPA addresses the status and condition of the standing crop on the land.
 - 1B. RCA, in our opinion, conducted a more extensive public participation process, especially in reaching "publics" not directly involved. Neither process prepared decent popularized summaries.
 - 1C. The important parts of both processes have been the assessment of the status and condition of the various resources. Both processes have done this well, in light of the data available. It may have been a mistake in the law to ask USDA to develop a program as part of RPA and RCA, unless OMB could be by-passed.

Statement of Bronson J. Lewis of the American Plywood Association, Submitted to Subcommittee on Forests, Committee on Agriculture, United States House of Representatives, on 1980 Resources Planning Act Assessment, Program, and Statement of Policy, November 24, 1980

Mr. Chairman and members of the Committee:

I am Bronson J. Lewis, Executive Vice President of the American Plywood Association, Tacoma, Washington. Our Association represents the manufacturers of softwood plywood which, as you know, comprise a timber-using industry producing one of the basic materials used in providing housing for the American people.

It is not our intent to comment in-depth at this time, since our comments would undoubtedly be repetitive of those received from other timber-using industry groups. In particular, we commend to you the statement of the National Forest Products Association and the industry-developed alternative to timber supply which is outlined in that statement.

We believe the 1980 RPA Assessment submitted by the Administration accomplishes its purpose in that it is a reasonable definition of the timber demand/supply situation in this country.

However, we fail to find any valid relationship between the Assessment and the subsequent RPA Program and Statement of Policy.

We believe it was the intent of Congress that the RPA process would lead to a program for our renewable resources which would be responsive to the needs of the American people as identified by the Assessment.

In this regard, the RPA Program submitted to the Congress is a total failure. In no sense could it be considered responsive to the Administration's own Assessment. More to the point, it will not provide for the needs of the American people. At least in the area of timber supply of which we are knowledgeable, none of the alternatives are acceptable.

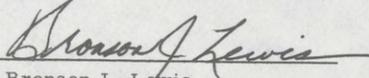
This nation has some of the most productive forests in the world presently producing at only a fraction of their potential. If we act decisively and imaginatively now, we not only can meet domestic demand -- we can actually become a net exporter of wood products.

The Administration's program is a no-action, defeatist program which can only lead to shortages, escalating prices, inflation and a deterioration in our balance of payments.

We believe it is the responsibility of the Congress to reject the 1980 RPA Program and Statement of Policy under consideration and we therefore urge that you do so.

AMERICAN PLYWOOD ASSOCIATION

By


Bronson J. Lewis

Executive Vice President



The Conservation Foundation

1717 Massachusetts Avenue, N.W., Washington, D.C. 20036
Telephone (202)797-4300 Cable CONSERVIT

December 1, 1980

The Honorable Jim Weaver
Chairman
Subcommittee on Forests,
House Agriculture Committee
1301 Longworth House Office Building
Washington, D.C. 20510

Dear Rep. Weaver:

Thank you for your invitation to testify before the Forests Subcommittee during its oversight hearings November 20, 1980, on the RPA Assessment and Program required by the Forest and Rangeland Renewable Resources Planning Act. I regret that I must be out of the city on that date, and thus will be unable to testify in person on behalf of The Conservation Foundation. Instead, I am writing this letter to present the views of the Foundation on the RPA Program and Statement of Policy.

The Conservation Foundation is a 32-year old non-profit research and communications organization based in Washington, D.C. Its principal purposes are to improve the quality of the environment and to promote wise use of the Earth's resources. The Foundation achieves these purposes by conducting interdisciplinary research and by communicating its views and findings to policymakers and opinion leaders. The Conservation Foundation does not have members and is not a lobbying organization.

Historically, the Foundation has had an active program devoted to policy for the nation's public lands, including the national forests. This has included a two-year study of the 49 national forests east of the 100th meridian (Shands and Healy, The Lands Nobody Wanted: Policy for National Forests in the Eastern United States, The Conservation Foundation, 1977) and other reports on forest policy issues. Most recently, under a cooperative agreement with the USDA Forest Service, The Conservation Foundation produced a Citizens' Guide to the Resources Planning Act, which involved a comprehensive analysis of the Act and Forest Service programs to implement it, and sponsored three meetings to inform key leaders about RPA. A meeting for leaders from a seven-state region was held in April at Cable, Wisconsin; another for national leaders was held in June at Coolfont, West Virginia, and the third, for 100 Forest Service

personnel from across the nation, was held in July at Salt Lake City, Utah. Improving the RPA process and products was a major objective of The Conservation Foundation project.

At the national and Forest Service meetings, we asked participants to identify what they believed to be the major issues associated with RPA and to propose actions to resolve them. A copy of the Foundation's summary report of these two meetings is attached. It is the basis for the comments which follow.

At the outset, the Forest Service is to be commended for its work on this second RPA Assessment and Program. Overall, it is much improved over the 1976 versions. While The Conservation Foundation believes that the 1980 documents have their shortcomings, we have been impressed with the Forest Service's willingness to discuss these candidly and forthrightly with the public at our meetings and at other meetings. We are confident that the RPA staff is dedicated to producing a superior update of the RPA Program in 1985.

In this letter, we want to focus on the high-low bounds concept and the RPA Program as a problem-solving mechanism.

The High-low Bounds Concept

This approach (which did not originate with the Forest Service) to describing the RPA Program and investments required to support it has proven to be most confusing to the public and, I daresay, to Forest Service staff in the field. The intent of the Resources Planning Act was to set forth long-term renewable resource objectives, establish output targets to accomplish these objectives, and estimate the investments necessary to achieve them. This does not mean that the administration has to propose annual budgets equal to the RPA targets, nor does Congress have to appropriate the funds. But the Program, in our view, is to establish long-range goals and provide benchmarks for the Executive Branch, the Congress, and the public to use in judging progress toward achieving the goals. However, instead of clear funding targets over the years, the 1985 Recommended Program is depicted in terms of a "high bound", which would provide for moderate investments in renewable resources development, and a "low bound" that for the next five years is essentially the status quo. Any administration budget that falls within the range of these bounds, in the Administration's view, is consistent with the RPA Program. The bounds concept, in our view, seriously undermines the intent of RPA.

The Program does establish long-term direction for renewable resources development, as defined in the Program's objectives for each resource element. However, these can be achieved only if all elements are funded at or near the high bound. Budgets or appropriations which fall substantially below the high bounds will not achieve Program objectives, even though technically they are in conformance with the Administration's definition of the Program.

Further, the bounds approach appears to aggravate the possibility that various resource elements might be funded at levels that vary greatly. We note that while there is a relatively narrow range between the bounds for timber (12.5 mmbf versus 11 mmbf in 1985), the range between the high and low bounds for wildlife habitat improvement, anadromous fish, and trails is proportionately much greater. In short, budgets and appropriations could conform to the RPA Program but result in a program that was seriously imbalanced among the various resources.

We also suspect that there will be problems in disaggregating these ranges to the Forest Service regions and the individual forests.

Finally, we believe that the obfuscation of the Program through use of the bounds approach could discourage public participation and even contribute to public disillusionment in the entire RPA and Forest Service planning process.

The Subcommittee's general acceptance of the high bound as the 1980 Recommended Program is a wise course of action. We hope that the administration will be persuaded to abandon the bounds concept when the 1985 update is prepared.

The RPA as a Mechanism to Resolve Issues

It was the general consensus of those who attended the National Conference at Coolfont that the RPA Assessment and Program should clearly define the important renewable resource issues confronting the nation over the next 40-50 years, and then describe measures to deal with them. Both the national leaders at Coolfont and Forest Service personnel at Salt Lake City expressed concern that the 1980 RPA Program did not identify and address the critical resource issues facing the nation. At best, many saw the Program as a "reactive" plan, in which the Forest Service set forth how it proposed to react to a relatively safe set of assumptions about future developments,

rather than dealing aggressively with a challenging set of issues. To be sure, the Forest Service did identify 14 issues and, in the Report to the Congress, articulate policy aimed at their resolution. In the complete Program, some of these are developed further in policy initiatives relating to the relevant resources and Forest Service activities. However, we believe the issues discussion to be inadequate in content and lacking the sense of urgency required to generate public interest in the Program and the achievement of resource objectives over the long term. While some of the issues selected were of pressing national concern (e.g. production of wood from private, non-industrial land, pesticide use), and others could be judged to be of concern to a large portion of the population (Forest Service emphasis on wildlife and fish, Eastern National Forests), the discussion is general and innocuous. There is no discussion as to why these are important issues; it must be left to the reader's prior knowledge and imagination. One does not get a sense that these are critical issues--issues important to the lives and welfare of individual Americans. If the public is to see value in the RPA process, it will have to be persuaded that the RPA Program, and other Forest Service plans, will deal with the important issues that affect the public generally. Further, there was no discernible link between the issues and the five alternatives chosen for evaluation in the Draft Program.

We urge that the 1985 Update be framed around the resolution of a limited number of major national issues identified by the Forest Service with the assistance of the public. In its analysis of the alternatives, the Forest Service should evaluate each alternative on the basis of how well it addresses these issues. Then the public could use these analyses in choosing between alternatives. Thus the Program would not simply allocate resources to deal with basic assumptions on population and economic growth, as the 1980 Program appears to, but would also focus on resolving important long-term public issues.

In conclusion, the discussions at the meetings we convened on RPA have convinced us that there is broad public recognition of the need for long-range planning for the nation's renewable resources. We found that the RPA Process is generally supported by a broad array of forest interests. For the most part, those participating in the three meetings saw RPA as a workable mechanism for resolving tough issues and providing coherency to resources policy.

We must recognize that RPA is a dynamic process still very much in the developmental stage. The 1979 Assessment and 1980 Program documents are a substantial improvement over the 1975 versions. However, both the 1975 and 1980 Assessments and Programs can be regarded as experiments in the adequacy of data and intellectual processes. The 1985 Program update, which should be nourished by the information in regional and National Forest plans, should provide a clearer picture of the effectiveness of RPA as a management tool.

Even so, The Conservation Foundation feels that there has been considerable progress since 1974, when Senator Hubert H. Humphrey observed "We have a mess on our hands...Instead of having a comprehensive plan for the governing and protection of our natural resources, we have tended to focus on each problem individually." With the continued interest of the Subcommittee, hard work by the Forest Service, and continued involvement by the public, we believe that the process ultimately will work as Humphrey and the Act's other authors intended it to.

Sincerely yours,

William E. Shands

William E. Shands
Senior Associate



The Conservation Foundation

1717 Massachusetts Avenue, N.W., Washington, D.C. 20036
Telephone (202)797-4300 Cable CONSERVIT

CONSERVATION FOUNDATION REPORT ON RPA MEETINGS:

NATIONAL CONFERENCE AT COOLFONT, WEST VIRGINIA;

FOREST SERVICE WORKSHOP AT SNOWBIRD, UTAH;

ISSUES, CONCERNS AND SUGGESTIONS

While improved and effective public participation in RPA was the principle goal of the Conservation Foundation--USDA Forest Service cooperative project, the ultimate purpose was to improve the entire RPA process. With this in mind, participants at the final two meetings--the National Conference at Coolfont, West Virginia and the Forest Service Workshop at Snowbird, Utah--were asked to identify problems associated with the development of the RPA Assessment and Program and with Forest Service planning at the regional and forest levels, and to suggest how these problems might be addressed.

The two conferences provided insights into RPA and Forest Service planning from two different perspectives: one, an informed and heterogenous lay public with national interests; the other, composed of Forest Service staff, an equally informed and heterogenous group, but with specific responsibilities for the implementation of the 1974 law. The viewpoints and perspectives were divergent, but the matters chosen as "issues of concern" reveal a high degree of agreement among those participating at both meetings. Four broad categories of "issues" were identified.

1. Problems of presentation of the Program and Assessment, particularly their complexity
2. Data needs and inadequacies
3. Coordination
4. Public participation and communications

A draft summary and synthesis of the concerns of the two groups and of the suggestions made for addressing these concerns follows. As promised by Project Director William E. Shands, this draft report is being sent to participants of the Coolfont meeting for their review and comment. Comments will then be incorporated into the final report to the Forest Service.

COMPLEXITY AND PRESENTATION PROBLEMS

Complexity:

Problems of presentation contribute to and increase the overall confusion expressed by both groups at the complexity of RPA elements and processes. Three factors were identified at the root of this problem.

Linkages. Despite the ubiquitous flow charts, there appeared to be considerable uncertainty at both the National Conference and Forest Service Workshop, about how national Program direction would be reflected in Regional plans and National Forest plans. Participants at both meetings had many questions about the relationship of the regional plan to the Service's State and Private forestry activities and Research. (This was reflected in a number of listings of "unanswered questions" on evaluation forms returned by Forest Service Workshop participants.) How the Program will affect Research, and how Research will respond to regional and forest plans, was never adequately explained at the National Conference.

Associated with difficulty in comprehending linkages between RPA elements and Forest Service activities is a perceived absence of a clear link between the Assessment findings and the recommended Program. Participants at Coolfont asserted that they could not see clearly how the recommended Program responded to the Assessment. There was some skepticism as to whether the developers of the Program actually used the Assessment data (although the Forest Service staff insisted that they did).

The "Bounds" concept. At the insistence of OMB, the Forest Service's recommended program does not describe a single recommended funding level, but presents a high bound and low "bound" for Program funding. Thus any budget request or appropriation level falling within these bounds presumably complies with the Program. There were numerous questions as to whether the concept is workable and what it means in terms of Executive, Congressional and agency accountability. Most participants were not aware of its origins, and questioned what positive advantages it offered the Agency.

Program rationale. Participants at the National Conference, and to a lesser extent, those at the Forest Service Workshop, asserted that the Program failed to include a clearly-worded rationale for the recommended Program and how the Service established its Program "agenda". This problem is related to what National Conference participants perceived as an absence of a "sense of mission" on the part of the Forest Service, which, if clearly stated in the Program, might help define Program objectives. This is dealt with in more detail at the conclusion of this summary.

Presentation:

Both audiences expressed considerable confusion over the presentation and format of the current RPA Program and Assessment. Frustration was felt by lay and technical audiences alike at the plethora of graphs and charts used as illustrative materials. For some members of the Coolfont group, the charts and graphs simply had no real meaning--terms such as "roundwood" and "softwood" mean little to the person unfamiliar with forestry terminology. For those who were familiar with the jargon, there were different problems: the graphs and descriptive material omit information which is crucial to understanding the demand for, condition, and productive capability of a given resource. Several examples were brought out in the course of both meetings. For example, Bob Wolf, of the Congressional Research Service, pointed out at the Coolfont meeting that the timber resource graphs omit information on actual timber growth, presenting information only on anticipated demand and timber to be offered for sale under different funding levels. The recreation resource graph is particularly misleading, many participants felt. At first glance, the use line appears to indicate actual use (in recreation visitor days) of the forests under different funding levels. RPA staff director Tom Hamilton explained, however, that the line actually referred to the number of visitors who would be served at some "adequate" level under the different levels. Some participants urged that another line be added depicting the actual number of people the Forest Service anticipates would come to the forests seeking recreation (it is possible, for example, that a family going to a forest for recreation, upon finding the campground closed, might simply pitch a tent by the side of the road--thus still counting as RVDs of actual use), but at a less satisfactory level of service, and with some possible adverse environmental impacts. A third example is the wilderness graph, which depicts acres of wilderness under different funding levels, implying that at the high bound of the Program there would be 41 million acres of wilderness in National forests (the Program so states explicitly). When Coolfont participants observed that the Congress determined the amount

of wilderness irrespective of funding, Hamilton explained that the graph actually represented the Forest Service's capability to manage a given quantity of wilderness.

Both groups provided numerous suggestions for improving program presentation.

Suggestions

1. The Forest Service should provide additional information, such as that suggested earlier, for timber, recreation, and wilderness and perhaps for other resources as well. Program alternatives would thus be more understandable to both lay and non-lay publics. A more succinct description of program elements, employing descriptive units understandable to laymen (not, for example, "acre equivalents of wildlife habitat"), also would make both Program and Assessment more understandable to a wider range of people.

2. The "linkage problem" described above suggests that a clearer relationship needs to be established between Assessment and Program. There was a suggestion at the National Conference that the Assessment be prepared two years ahead of the Program. A two year separation between the two would permit a deeper analysis of the data and a more careful development of policy choices based on that data. Thus the connection between a given policy choice and both the reasons and opportunities for it as expressed in the Assessment might be better understood.

3. Participants also noted that the recommended Program did not specifically address the National issues identified by the Forest Service as priority matters; the Program should be linked to those issues, and the relative differences in resolving the issues among Program alternatives should be more evident. One suggestion was for the Forest Service to assemble alternatives into more coherent and succinct packages, each with a description of the issue(s) it is specifically designed to address, and the policy choices involved.

4. Participants suggested that the Forest Service clearly spell out the rationale for Program priorities.

5. With regard to the "bounds" concept, participants would benefit from a description of it, including its meaning, rationale, and its advantages and disadvantages.

DATA NEEDS AND INADEQUACIES

Both groups recognized and discussed several problems relating to data in general.

First, participants at the National Conference expressed difficulty in understanding the meaning of some units in which program targets are expressed. This is especially true of units used to express National targets which are indirect measures of something--the acre-equivalent for wildlife is a good example. Participants cited a real need for better measures--such as the animal population numbers now being devised by the Forest Service. Further, participants at the National Conference generally felt that units of measure--particularly the acre-equivalent for wildlife, and RVD's for recreation--used in the National Program became meaningless, at least to the public, when disaggregated to the Regions and Forests.

Participants in both groups expressed equal concern over inequalities among resource elements in both amount and type of data available. Timber data is still far and away superior over data for other resources, especially the non-market resources such as wildlife and recreation.

Further, National Conference participants felt there should be more information on forest resources in urban areas. Participants pointed to the brief treatment of urban forest resources in the 1980 Assessment, asserting that all renewable resources should be considered by the RPA, including those in urban or non-rural areas (urban forestry is dealt with in more detail later in this report).

Another problem singled out by conference participants relates to the inadequacy of data on resource interactions and tradeoffs. Says Perry Hagenstein, "... data that describe the interrelationships among resources and uses on any category of forests and rangelands are practically non-existent. The Forest Service is faced with making judgement about resources, their uses, and their interrelationships in a partial information vacuum." (p. 37, Citizen's Guide). As a result, the tradeoffs involved in any resource management decision are not evident.

There were also questions raised at the National Conference about the validity of the assumptions used in the Assessment. The Assessment is based mainly on assumptions about population, the gross national product, and disposable personal income. A number of participants at the National Conference were dubious about these assumptions as depicted in the Assessment and suggested that they could be affected by domestic policy choices as well as international developments.

Finally, Derrick Crandall, of the International Snowmobile Industry Association, observed that the Assessment and Program fail to consider adequately what resource objectives might be met by the private sector. For example,

he pointed out that snowmobile trails are often both built and maintained by users through agreements with both public and private landowners, at little or no cost to public agencies. These kinds of opportunities, he asserted, are not adequately treated.

Suggestions concerning data needs and inadequacies were quite numerous from both audiences. An analysis of the evaluations received by The Conservation Foundation after both conferences revealed that the majority of those who still had unanswered questions about RPA expressed concern over data adequacy.

Suggestions

1. To clarify the links between National targets and forest capability, participants from both groups suggest that the Forest Service standardize data collection and presentation.
2. Where there are gaps in the data, they should be evident so that corrective action can be taken. Participants suggested that in the Assessment there be a standard format for presenting information. Thus one might see quickly that there was good information on timber demand, but little information on wildlife demand.
3. Participants also urged the development of a more sophisticated display of resource interactions and tradeoffs involved in allocating goals among regions and forests: people want and need more concrete information about the consequences of a given policy choice. The Forest Service also needs to provide additional and improved data for resources other than timber, and non-traditional items, such as urban forestry, deserve further consideration in future Assessments.
4. On the question of the validity of Assessment assumptions, Maitland Sharpe of the Izaak Walton League urged that the assumptions be tested for sensitivity to different domestic policy options (for example, a prohibition on the export of timber) as well as some possible international developments.

COORDINATION

Intra-Agency Coordination:

Forest Service Workshop participants from S&PF and Research indicated during both formal and informal sessions that they are still uncertain about their roles in the RPA process. Several individuals, both in evaluation questionnaires and comments to CF staff, perceive little or

no relationship between their work and that of the National Forest System. (This feeling of alienation and/or distance appears to be less pronounced with S&PF than with Research.)

Both S&PF and Research have difficulty in seeing how their work ties into a program which 1) emphasizes the National Forest System (understandable perhaps, since this is the largest Forest Service Program), and 2) responds to national needs and objectives and is susceptible to relatively frequent Executive Branch and Congressional policy and budgetary changes. S&PF, for example, must respond to the needs and policies of the states, which may not be absolutely consistent with national policy. Research, on the other hand, apparently finds it difficult to change direction quickly because its work involves long lead times. Research is further constrained by staff makeup; a shift in emphasis from timber to recreation, for example, would require a major change in staff makeup. Both S&PF and Research staff expressed uncertainty as to how their programs will be addressed in the regional plans.

Despite present Forest Service activities, uncertainty remains about the extent of coordination with other federal agencies and state agencies. Participants at both meetings generally felt that input from other agencies, such as the Bureau of Land Management and state wildlife agencies, is not apparent either in the Program or other planning documents. (However, there were no specific suggestions about how this should be dealt with.)

Suggestions

1. Both groups asserted that the Washington Office define more clearly the contributions of S&PF and Research in meeting RPA objectives.
2. The Forest Service also should improve liaison between Research (and the two S&PF area offices in the East) and regional foresters in the preparation of regional plans.

A WORD ABOUT URBAN FORESTRY

At the Regional RPA meeting in Wisconsin in April urban forestry emerged as a prime concern of a number of participants, and not only those representing urban minorities. There was at the time considerable discussion concerning the brief treatment of this subject in the 1980 Program and Assessment.

The interest in urban forestry kindled at the Cable meeting was further pursued and developed by several participants at the Coolfont meeting. Jane Galvin-Lewis and

Wyman Solomon, both of the National Council of Negro Women, urged that the Forest Service devote greater attention to urban forestry because it represents an ideal avenue of communication with urban and minority citizens whose awareness of and interest in natural resources is not

well developed. Wyman Solomon stressed the potential of an urban forestry program to contribute not only to an improved urban environment, but to improved social welfare as well, through provision of jobs for urban youth. Other conference participants, one an urban forester from Indiana, stressed the importance of including natural resources in non-rural areas in future Programs and Assessments as integral parts of the nation's forest and rangeland resources.

Suggestion

The Forest Service should take advantage of the enthusiasm displayed at these two meetings; one suggestion was that future efforts bring Forest Service personnel to the cities, in addition to taking urban citizens to the forest. The implication was that the Forest Service staff should be exposed to urban needs and, further, that urban residents felt more comfortable on their home territory.

PUBLIC PARTICIPATION AND COMMUNICATIONS

Public participation and communications were given a great deal of attention by both groups.

- o Poor Public Understanding of RPA. Both workshop groups felt there was poor public understanding of RPA and that RPA as a process lacked visibility. There were many suggestions for correcting this.
- o RPA As A Concept. Both groups agreed that RPA needs to be conceptualized and packaged so people can understand it, and in a manner that will encourage people to participate in the process. The Forest Service needs a simple, recognizable symbol which asserts not only that RPA exists, but that there is a reason for it.

Suggestions

1. Suggestions cited earlier in this report under Complexity and Presentation should serve well in improving public understanding of RPA. Additionally, however, Coolfont conferees thought that if relevant information were directed to specific constituencies in specially prepared bundles, each interest group would be in a better position to keep abreast of the planning process as it relates to its own

concerns. Care would have to be taken, however, to ensure that information pertaining to each resource be clearly linked or associated with other resource information when an understanding of such relationships is important. For example, the relationship of timber operations to wildlife management should be explicit in any information directed to the wildlife constituency.

2. Forest Service participants admitted to a lack of understanding of RPA by their colleagues. Because the Forest Service needs its own core of well-informed individuals, it was suggested that the Forest Service consider designating an individual or group of individuals at every organizational level whose responsibility it would be to know the RPA process and communicate it to their colleagues. Special materials would probably assist these persons in such a task.

3. At the Forest Service Workshop, Jack Roberts illustrated the utility of seeking professional communications advice in establishing a new "image" for RPA. While the "Plan Ahead" idea may or may not be appropriate, Roberts' development of the idea showed how such a symbol could serve to anchor RPA in the minds of the public and unite the Forest Service in its RPA implementation task. The enthusiasm after Jack's talk for this concept suggests the potential of such a symbol to clarify, enliven and underscore the importance of RPA.

A "SENSE OF MISSION"

Both groups, but especially those at the National Conference, expressed concern that the RPA Program did not express a clear "sense of mission" on the part of the Forest Service, nor really address critical resource issues. At best, many of those at Coolfont felt the Program to be a "reactive" plan, in which the Forest Service set forth how it proposed to react to a relatively safe set of assumptions about future developments, rather than dealing aggressively with a challenging set of issues. There was a suggestion that the Forest Service Chief consult with his advisers and prepare a list of the 10 top renewable resource issues which must be addressed over the next 40 years and some basic principles to deal with them. There are significant political obstacles, to be sure, in using the Program for this purpose. But where else are we to find out just what the nation's critical renewable resource issues are?

The Coolfont group intimated that the Forest Service is undergoing an "identity crisis" and needs a new sense of purpose to serve as the foundation of the RPA Assessment and Program. They suggested, in essence, that the Forest Service establish itself as the spokesman and advocate for conservation and wise use of renewable resources, and develop a conservation strategy to be clearly articulated in the Program.

ADDENDUM

The preliminary draft of this report was sent to the participants of all three CF meetings on the Resources Planning Act and Forest Service Planning. Several people commented on the Program itself, offering constructive suggestions on format and content. One participant particularly noted the epidemic of initials used by various speakers (e.g. RPA, OMB, S&PF, NFMA, NIPF, CFAA, etc.) and suggested that a blackboard be set up with all of the initials explained. A good suggestion. At future meetings we will try to hold the use of initials to a minimum and be sure that participants have ready access to a glossary of initials and terms.

Two others suggested greater attention to the role of the states in developing programs for private, non-industrial forests and urged that future programs, particularly in the East, provide greater detail on how state forestry programs are to be linked to the RPA Assessment and Program and how the Program will affect state programs.

The draft report dealt principally with the proceedings of the Coolfont and Snowbird meetings, where specific issues were identified and solutions advanced. James W. Lumsden, of Packaging Corporation of America, and a participant at the Cable regional meeting, wrote that he felt it necessary "to point out a perceptual difference between what your report says regarding the concern for urban forestry and what I understood to be the concern after attending that session. Wyman Solomon was quite emphatic about minority interest in urban forestry when he pointed out that they are much less concerned about what kinds of trees are growing along the streets and in the parks of Detroit than they are concerned about what forestry and the forest industry can do to provide jobs to people in the inner city. And he went on to say that he didn't want to find ways of bringing inner city people to the forest to work, but rather he wanted to find ways of bringing the forests or forest industry into the city to provide jobs for people where they already live. Until the Forest Service recognizes that JOBS is the most important issue to be faced in urban areas, the urban forestry programs will certainly miss the mark."

Finally, several correspondents expressed the hope that there would be some kind of continued outreach to and communication with the citizen participants of the RPA meetings.

Statement Submitted For The Record to
Committee on Agriculture
U.S. House of Representatives
Subcommittee on Forests
November 26, 1980

By
Forest Farmers Association
Atlanta, Georgia

Forest Farmers Association is an organization of private timberland owners, and primarily small, individual owners, in 15 southern states, headquartered in Atlanta, Georgia. Our members own over 40 million acres of commercial forest land.

The association welcomes this opportunity to present its views on the program and statement of policy submitted by the Administration in accordance with provisions of the Forest and Rangeland Renewable Resource Planning Act of 1974 (RPA). The association greatly appreciates the deep interest and understanding of this committee and the full committee on forestry and related matters. You are doing a truly outstanding job.

The association has reviewed the Administration's current program and statement of policy carefully and discussed its recommended levels of funding, etc. in some detail. Our distinct impression is that the Administration's program and statement of policy are more nearly a recommendation on budget levels than a true planning assessment of the situation. We do not feel that this approach was how the RPA planning process was envisioned to operate.

This committee has asked for input from various groups and Forest Farmers Association is pleased to offer the following comments and observations for its consideration.

Since Forest Farmers Association is an organization of timberland owners and primarily of private, nonindustrial owners, these comments will deal primarily with state and private programs, although we are also interested in research activities and National Forest Management. Others, no doubt, will cover these items in detail.

The South, the area in which our association operates, today, offers the greatest opportunity for expending the nation's timber productivity. We have the acreage, the species, the climate and terrain most favorable to timber growing. Currently, there are some 224 million acres* in the 15 southern states region served by Forest Farmers Association. Of this the federal government owns approximately 8 percent, mostly in National Forests; forest and related industries, 20 percent; and private nonindustrial owners, 72 percent. (*of commercial forest land)

The federal and private industry lands are, generally, well managed and they offer only limited opportunities for increased productivity. The forest lands owned by the private nonindustrial group, therefore, constitute not only the largest acreage by far, but the greatest opportunity for increased productivity. Some estimate production on these lands could be doubled, although that may be optimistic. However, there are some problems to be overcome in increasing productivity on these lands. Among these are such considerations as profitability, motivation, taxation, investment capital, cash flow, protection and insurance.

One of the key questions is how profitable is timber growing for the private individual timberland owner? The answer is not a simple one, especially for an individual with little capital and low deferrability of income. If the individual can receive 12 to 14 percent return on a guaranteed short-term government bond, it is difficult to sell him on a 20 to 30 year forestry development program at an indefinite rate which might run only 8 to 10 percent. Even this would not be true if the timber burned down. Also there would be no cash flow in the interim. It is important to add here that our members

do not seek excessive profits. What they want are stable markets, and reasonable prices for their products which fairly reflect the long-term capital investments and risks of timber growing.

When we talk about stimulating forest productivity we should also ask - what is timber? From our association's perspective, it is a consumer product. We grow trees for lumber and related products for homes and commercial construction, and paper products which make our way of life possible. All this with due consideration to the importance of environmental amenities.

The next question logically might be - do the nation's consumers need these products? If the answer is no, then there is no real problem. Few landowners plant trees merely because they enjoy planting trees, and no one harvests timber merely for the thrill of it. However, if the nation's consumers need these timber products, then it is important to consider how landowners can be motivated to grow the needed timber.

Programs to motivate timber growing cost money, and the question arises - who pays for such programs? Our reply is to ask - who benefits? Is the benefit solely to the timber grower? The forest industry? The state? The nation? We feel it is all of these and that they should all share in funding these programs.

It is interesting to note that at least 31 private forest industries in the South now sponsor some type of landowner assistance program, and the acreage served runs into the millions. The companies certainly understand the importance of encouraging timber production on nonindustrial lands. But the companies, alone, cannot and should not be expected to do the whole job for they are only the processors of timber products. Ultimately the consumer who wants these products should also pay a major share of the cost of production. This involves the state and federal governments. And this is, we feel, the basis for present cooperative, cost-sharing federal, state and private forestry programs. Since each shares in the benefits, each should pay a pro rata share of the costs, according to the benefits received.

With the preceding thoughts in mind, Forest Farmers Association endorses the National Association of State Foresters' recommendations on funding for these state and private forestry programs. To do less might well cause a shortfall in the nation's timber productivity, which would impact on all of our citizens, and perhaps especially on our low income groups. Our affluent citizens will always likely be able to afford homes, but with prices rising steadily the outlook even now for adequate housing at a reasonable cost for lower income groups is not good.

With intelligent and balanced management of the nation's vast forest resources, there is every reason to believe these resources can provide adequate supplies of timber products not only to meet the nation's consumers needs, but also to supplement energy supplies, provide exports to help with our balance of payments situation, provide recreational opportunities, etc. To reach these goals, however, will take more adequate funding of forest development programs, incentives for nonindustrial owners - such as the Rural Fire Prevention and Control Program, Forestry Incentives Program, increased timber capital gains benefits, investment tax attractions, pilot annual payment loan programs, crop insurance for timber, and other innovative, cost effective ideas. We consider an effective and adequately funded Rural Fire Prevention and Control Program the greatest incentive program of all. If the timber burns up, all the other programs are meaningless.

We feel that the job of greatly increasing the nation's timber productivity can and must be done. But we do feel the RPA assessment should more clearly and realistically define the needs and the options, and estimated costs. The Congress with the President can then determine what is desirable and affordable. Compromises will almost certainly have to be made, but our association urges the realistic setting of RPA goals, and commends this committee for its good work toward this end.

This committee's consideration to these views is invited and will be appreciated.

STATEMENT BY THE NATIONAL ASSOCIATION OF COUNTIES SUBMITTED FOR THE HEARING RECORD OF THE SUBCOMMITTEE ON FORESTS, COMMITTEE ON AGRICULTURE, ON THE PROGRAM AND STATEMENT OF POLICY SUBMITTED BY THE ADMINISTRATION PURSUANT TO THE FOREST AND RANGELAND RENEWABLE RESOURCES PLANNING ACT OF 1974.

The National Association of Counties (NACo)* is pleased to present our views on the Program and Statement of Policy submitted by the Administration in accordance with the Forest and Rangeland Renewable Resources Planning Act of 1974 (RPA).

The RPA was intended to provide a framework for comprehensive, long-range, and continuous resources planning in the management of the national forests.

This rational and systematic approach to the management of the forest resources was welcomed by the counties. For example, in Oregon, where the national forests are the backbone of the state's economy, 31 out of 36 counties are directly dependent upon forest resources. Thus, it was critical to the counties that forest resource needs be systematically and comprehensively identified, along with adequate funds to budget for financial investments in meeting those needs. The incremental and annualized forest management addressed by the RPA had adversely impacted the counties. Further, productive areas were being reduced through the addition of wilderness, and it was essential to compensate for that result on non-wilderness areas of the forests, particularly as reduced productivity was generating less forest receipts, to the detriment of the affected counties.

After reviewing the President's Statement of Policy and RPA Program, we agree with the conclusions reached in "A Congressional Response to the Proposed Program and Statement of Policy" (White Paper) developed by Senator John Melcher's Subcommittee on Environment, Soil Conservation and Forestry. The Public Lands Steering Committee of the Association of Oregon Counties endorsed the White Paper early in September. Senator Melcher has incorporated the White Paper recommendations - as a Revised Statement of Policy - into H.R. 7724, the FY 1981 appropriations for Interior and Related Agencies. This incorporation was accepted by the Conference Committee on the bill. Senator Melcher indicated that

this revised Statement of Policy is to be used as a guide by the federal government for formulating actions to be taken on programs for America's forests and rangelands.

We are deeply disappointed that the Administration avoided a commitment to necessary budget decisions and guidance in sending the Congress a range of options rather than a preferred program of work. We agree with the White Paper in that the "bounds" approach does not accurately define the expected outcome for each resource in the five years ahead, nor the impact on the future in terms of targets. We are also greatly concerned, as was Melcher's Subcommittee, that if investments in the national forest system are reduced, as found in the lower bound program, there will be a corresponding decrease in national forest receipts. Counties with substantial forest lands would experience serious economic consequences from these reductions. Further, counties are concerned that under the low bound there is potential to reduce other forest service programs. So, with less forest land in productivity, receipt reductions, and other program cuts, counties would be facing major problems, a result surely not intended by the RPA.

The "bounds" approach leaves the Administration free to seek funding at any option, and to disregard its mandate to responsibly guide the RPA planning process. We affirm the Conference Committee on H.R. 7724 in adopting the "High Bounds" program as the preferred program of work.

The Subcommittee has requested our views on the Citizens Alternative to the Forest Service's Recommended Program, known as Alternative 4a. While we appreciate the concept that there should be more intensive management on the most productive lands, we are concerned about the timber and grazing goals. We feel that the White Paper would better address productivity in these areas that will best provide the community resources while also providing non-commodity amenities.

We commend the Chairman and Subcommittee for their work on the RPA Statement of Policy and Program. We strongly endorse the Chairman's statements on the Administration's RPA Report.

* The National Association of Counties (NACo) was founded in 1935 as the National spokesman for counties, to serve as a liaison between county governments and other levels of government, and to improve the public understanding of the role of counties in the federal system.

Statement of Dr. M. Rupert Cutler

Senior Vice President for Programs, National Audubon Society
550 Third Avenue, New York, N.Y. 10022

Mr. Chairman, the National Audubon Society's board of directors has just approved a set of ten high-priority action goals for 1980-81 which includes the goal of adequate staffing and funding for our federal land management agencies' wildlife management programs. This Audubon concern for the adequacy of Forest Service and other natural resource agency budgets easily can be translated into concern for the adequacy of the 1980 Resources Planning Act Program.

Although a detailed analysis of the administration-recommended RPA Program from the Audubon standpoint has not yet been prepared, my familiarity with the RPA process and the 1980 product -- based on my experience as Assistant Secretary of Agriculture for Natural Resources -- is such that I would like to submit the following comments on them for your consideration and for the hearing record:

(1) Historically, the Forest Service has been unable to communicate to our citizens the significance to them of the RPA process. The RPA public involvement effort -- expensive and well-intended -- has resulted in almost no response from the public, because few non-technically trained individuals have been able to cope successfully with the size and complexity of the RPA documents and offer constructive and relevant comments. The Forest Service will have to more clearly and graphically describe the alternative futures being cast up by the RPA process, together with explanations of the physical and economic limits which constrain each of these alternatives, before it can expect much public response.

(2) Also historically, RPA planning has proceeded absent explicit (if ballpark) dollar figures related to the budget impacts of the alternatives. The 1981 low bound was derived from the 1981 President's Budget, and whether or not the Forest Service or conservationists want to recognize the relationship between the RPA program and the budget, the White House always will. . . so I believe the relationship should be made clear. In this context, I urge this Committee to support Forest Service efforts to use economic analysis and to adopt shadow prices or imputed values to help justify what in the past have been termed non-

quantifiable outputs such as recreation and wildlife, to help these important programs compete successfully for budget dollars.

(3) The RPA process might make more sense to the general public if it was disaggregated to the regional level and considered by the public in the context of the National Forest System regional plan. The public and the Forest Service then could concentrate their fire on the regional program; then, the results could be aggregated into a national program which would be subject to another REPA-type review for fine-tuning before being recommended to the President. The total national RPA package overwhelms the public. Regional programs, built of National Forest Plan building blocks, may be comprehensible and thus become the basis of political support.

(4) The low bound used by the Carter Administration is an arbitrary, tenuously justified program level, adopted by the White House at the urging of its Office of Management and Budget to make the 1981 President's Budget appear to coincide with the RPA program. It may safely be ignored as a real output of the RPA planning process.

Mr. Chairman, I am optimistic that the public involvement and the site-specific data-gathering and analysis associated with the preparation of the individual National Forest Land and Resource Management Plans now under preparation will provide both much-improved planning data and better public comprehension of what is at stake in this planning process than has existed heretofore.

But until the Forest Service masters the art of predicting and understandably presenting to the public the alternative futures (or alternative "target forests") embodied in its alternative plans and program levels -- so that public participants can see how they may be affected and can see that the agency in fact responds to their suggestions -- much of the tremendous effort involved in running the RPA machinery will continue to be wasted because of general skepticism that it is a "black box" process rigged by the agency to produce the future budget target results that it desires. It can and it must be far more than this, as the Congress intended, and I know that the Forest Service leadership agrees.

Thank you for the opportunity to submit these comments.

STATEMENT OF JACK H. BERRYMAN, EXECUTIVE VICE PRESIDENT,
INTERNATIONAL ASSOCIATION OF FISH AND WILDLIFE AGENCIES,
FOR THE HOUSE SUBCOMMITTEE ON FORESTRY
DECEMBER 3, 1980

Mr. Chairman, I am Jack H. Berryman, Executive Vice President of the International Association of Fish and Wildlife Agencies. As you know, our Association is a voluntary organization and consists of the state, federal, and the provincial fish and wildlife agencies of the United States, Canada, and Mexico. One of our principal concerns is the maintenance of adequate fish and wildlife habitat, especially with the increasing and competing demands being made upon our renewable resources. We appreciate this opportunity to comment; we commend the subcommittee for its active interest.

As you can appreciate, this matter is of direct interest to our member agencies because they have a legal and trust responsibility for the management of fish and wildlife resources which are obviously dependent upon habitat conditions. It is for this same reason that the Association and its members have such a vital interest in and concern for the RPA and the closely related RCA processes.

During the formative stages of the RPA process this Association established a special committee to assist and make recommendations. And, since passage of the Act, we have been participating in at least two efforts to work with the federal agencies responsible for the gathering of uniform habitat information so necessary to implementing the RPA process. This explanation is simply to indicate that we are not only interested in seeing the intent of the Congress carried out, we are at work in undertaking the necessary implementing steps.

We recognize that this Nation will periodically experience economic difficulties as is the case now, when it will not be possible to appropriate the full amount of money that is considered necessary for a given activity; and, that some issues will receive favored attention in the appropriations and political processes. We also recognize that the well being of fish and wildlife resources is tied irrevocably to forestry and range practices on public and private lands and to agricultural practices on private lands.

It is for these collective reasons that we want to encourage implementation of the RPA process. It is the only system by which the Congress itself can evaluate an assessment of needs; identify national goals, objectives, and priorities; appropriate funds accordingly; and require that its mandate be carried out by the agency—and, in a manner responsive to the priorities as identified by the Congress. Appropriately applied, it is a means for requiring accountability at every level of implementation from the man in the field to the agency head.

Unless the Congress insists upon implementation, we will be right back where we started with the Office of Management and Budget exercising discretion within priorities as established by an administration responding to the political pressures of the moment, with first attention to commodities. The end result will again become an annual exercise in expediency, as opposed to long range planning for producing food and fiber and for protecting environmental values in a way that will not diminish the productive capacity of our forest, range and agriculture resources.

We don't want RPA or RCA to become one more planning fantasy to go on the shelf. We are not at the moment concerned with the details of implementation. The important thing is that the Congress has established

a management and policy making process by which the Executive and Legislative bodies can plan for the future and give balanced attention to all resources, including fish and wildlife. We want to see that system implemented and improved.

With the added emphasis on increased production of beef and timber, it is more important than ever to make certain that the approach is indeed balanced, with full attention to related resources. Or these, including fish and wildlife, will take a back seat and become incidental. They will become the victims of demands for commodity production.

With the prospect of using food as a diplomatic tool and as a trade off for energy; and with the increasing demands made upon U.S. productivity, the RPA process becomes an national imperative. In meeting these needs, we must not reduce our national productive capacity nor give short shrift to related resources.

We are fearful that the "low bounds" approach provides too much leeway and sets the stage once again for expedient, short term decisions. While the "high bounds" figures may not always be achievable, they provide a guide to relative priorities.

We urge the Congress to take such action as may be appropriate to eliminate the low bounds and accept the high bounds as a planning guide to assure that Executive agencies carry out the full intent of the Act. Otherwise Congress defaults on the process it has already authorized to assure balanced planning, the achievement of specific goals—and, accountability.

And finally, Mr. Chairman, successful implementation of both the RPA and RCA processes will require increased educational efforts to land and resource users, especially on private lands. It is time that the Congress appropriate the \$15 million authorized with passage of the Renewable Resources Extension Education Act of 1978 which is now ready for implementation.



NATIONAL WILDLIFE FEDERATION

1412 Sixteenth Street, N.W., Washington, D.C. 20036

202-797-6800

WRITTEN TESTIMONY ON THE PROGRAM AND STATEMENT
OF POLICY UNDER THE RPA
SUBMITTED TO THE FORESTS SUBCOMMITTEE OF
THE HOUSE AGRICULTURE COMMITTEE

by

Thomas L. Kimball, Executive Vice President
National Wildlife Federation
November 17, 1980

The National Wildlife Federation, the nation's largest private conservation/education organization with over 4.6 million members and supporters, appreciates this opportunity to comment on the Program and Statement of Policy submitted under the Forest and Rangeland Renewable Resources Planning Act of 1974 (RPA). Since we understand this Subcommittee will continue some of the inquiries begun in the draft "White Paper" prepared by the Senate Subcommittee on Environment, Soil Conservation, and Forestry, we have addressed some of our observations to that White Paper.

Our comments cover three areas: First, we believe the goals submitted in the Administration's RPA Program present an excessive range in their choice of high and low bounds. Second, with some exceptions in the area of fish and wildlife management,

we endorse a Congressionally revised Statement of Policy which adopts the high bound for each element of the RPA. Finally, once the Program is adopted and goals have been set, to the extent that Congress is not able to provide funds to meet all RPA goals, there should be across-the-board cuts in all RPA programs, rather than funding particular areas within RPA at different levels.

The Range in the Program's Goals Is Excessive

We are concerned that the Program and Statement of Policy submitted by the Administration improperly fail to recommend a preferred program as required by the RPA. The purpose of RPA is to provide the professional land managers' best judgment as to what is necessary and achievable on the nation's lands. Once the Forest Service has proffered its suggested targets, it is up to the Congress and the Administration to fund the Program at the recommended level, or to justify shortfalls on the basis of competing national priorities.

The Administration's Program presents such a tremendous range of options that the American people will be unable to assess whether the Congress and Administration are even attempting to achieve goals recommended by professional land managers. The large range in the suggested high and low bounds destroys the concept of a "best management target," and nullifies one of RPA's most important features: the ability to judge whether Congress and the Administration are supporting a balanced program of resource development and protection.

Furthermore, such disparate options reveal what a low priority nonmarket program elements will have in lean budget years. For example, in 1982, the difference between the low and high bounds for timber production is 0.9 billion board feet, or a difference of 7.6 percent. However, for the same year the difference between wildlife and fisheries habitat improvement in the low and high bound is 1706 million acre equivalents, or a difference of 58.9 percent. When the bounds for timber production vary only 7.6 percent but wildlife and fisheries vary by 58.9 percent, how can there be any certainty that the nation is meeting or will meet its needs for wildlife? With such an excessive variation between program elements, how can citizens ever know that one RPA program element is not being sacrificed to another?

Some flexibility in the 1980 Program goals is necessary and desirable. But we believe that the ranges proposed by the Administration are so excessive as to deprive the RPA of much of its usefulness and disfavor nonmarket resources in times of tight budgets.

RPA Should Be Funded at the High Bound

The National Wildlife Federation recommends that with a slight revision, the high bound program proposed by the Administration be adopted in a Congressionally-revised statement of policy.

In the area of Fish and Wildlife Management, however, we urge that the Congressional Statement of Policy increase funding

beyond the high bound and adopt the wildlife and fish goals established for Alternative 4 of the Program. Alternative 4 provides almost 15% more habitat improvement than called for under the Recommended Program's high bound, an increase we feel is necessary to meet the increasing non-consumptive and consumptive demands for wildlife.

We also urge the Subcommittee to recommend a Congressional Statement of Policy which expressly adopts the National Forest System Wildlife and Fish Resource goals set out at page 47 of the Program. These goals would, among other things, manage anadromous fish habitat at 90 percent or more of its potential, and resident fish habitat at 80 percent or more of potential.

In regard to the Senate Subcommittee's White Paper, we endorse its recommendation that the proposed high bound be generally adopted, with three exceptions. First, as just pointed out, we urge increased funding under the Fish and Wildlife Management Program in order to provide for habitat improvement suggested in Alternative 4, and support an explicit endorsement of the Program's NFS wildlife and fish resource goals.

Second, we cannot endorse the White Paper's proposal to increase timber productivity to 90 percent of the land's potential by 2030 without assurances that such an increase would not have unacceptable impacts on other multiple use values, especially fish and wildlife habitat. 1/ Although existing regulations

1/ Satisfactory assurances could be similar to those in the proposed Lolo National Forest Plan, which requires comprehensive environmental monitoring and provides that the Plan may be altered if certain environmental standards are exceeded.

promulgated under the National Forest Management Act have the potential to mitigate much of the environmental harm which extensive timbering threatens, these regulations have only recently been promulgated. We do not yet know if they will be adequately implemented. Moreover, to the extent increased timber harvest occurs on private land, there are virtually no means by which the public can protect wildlife and fisheries habitat from private forestry abuses. ^{2/}

Finally, we cannot endorse the goal that 85 percent of the potential range should be in improved condition by 2000 without similar assurances that these increases and the accompanying livestock growth will not be detrimental to fish and wildlife.

In short, without more detail we must disagree with the Statement in the second-to-last paragraph of the White Paper that if the land is being managed and treated to grow plants at near optimum levels, water, soil, wildlife, fish, recreational, wilderness, and aesthetic values will be substantially improved.

^{2/} For State and Private Forestry, the Program sets a goal of providing "technical assistance to support a major expansion of private timber supply...." (Program, p. 15). While in general NWF supports a shift in timber production from public to small non-industrial private forests, the only wildlife protection the Program offers to offset the increased lumbering on private lands is increased technical planning assistance provided through cooperative forestry programs. (Program, p. 138). The Program fails to acknowledge that the environmental effects of private forestry are subject to virtually no federal control and regulated by only a handful of states. Consequently, shifting timber production from public lands where the effects are strictly controlled under the NMFA regulations, to private lands where there are few environmental controls, raises the possibility of increasing harm to wildlife and fisheries.

Public education and increased technical assistance are the first important steps in alleviating these potential problems.

Consistent Funding of Program Elements

Implicit in our endorsement of the high bound recommendation is the requirement that market elements of the program, such as timber and range, not be favored over nonmarket elements, such as fish and wildlife, in lean budget years when complete high bound funding cannot be achieved.

The RPA program is intended as a professional assessment to balance competing resource demands. The Congress' opportunity to influence that assessment is during its review of the Administration's Program and in its option to promulgate a revised statement of policy. Thereafter, Congress should not favor one resource over another under the excuse that there are insufficient funds to fully support all program elements.

Rather, when budgetary restrictions preclude full funding of RPA programs, funding cutbacks should be uniform across all programs. For example, if only 80 percent of money needed to support all RPA programs is available, then each program should be cut back by 80 percent.

We will be happy to provide any additional information or comment which this Subcommittee might desire. We request that this statement be made part of the record for the hearings to be held on November 20, 1980, by the Forests Subcommittee of the House Agriculture Committee.



STATEMENT ON THE
1980 RECOMMENDED RENEWABLE RESOURCES PROGRAM

FOR THE RECORD

TO

THE FORESTS SUBCOMMITTEE OF THE
HOUSE AGRICULTURE COMMITTEE

President

Betty L. Denison
330 S.W. Bridgeway
Corvallis, OR 97330
(503) 757-1803

Vice President

Rintha Renoud
46986 Whiskey Butte Rd.
Foster, OR 97345
(503) 367-4470

Recording Secretary

Cathi Roberts
8007 N.W. Siskin Dr.
Corvallis, OR 97330
(503) 752-0273

Corresponding Secretary

Joyce Weathers
2695 N.W. Royal Oaks Dr.
Corvallis, OR 97330
(503) 753-2874

Treasurer

Billie Smith
349 Walnut Dr.
Monmouth, OR 97361
(503) 838-2560

Reference is made to the Forest Sub-committee Hearing, November 20th, to examine the ability of the 1980 Recommended Renewable Resources Program to meet the requirements of the Resources Planning Act, and to discuss the citizens' alternative which Chairman James Weaver says "reflects how the people of this country want their public lands managed."

Oregon Women for Timber, an organization devoted to resource education, wishes to draw the committee's attention to considerations about both items of discussion.

Since the recommended program gives only ranges of goals, it fails to clearly define objectives. When building a road, a destination must be defined or the builder can't responsibly or rationally function. Equally, foresters charged with planning need clear direction, not a vague range of goals.

Oregon Women for Timber also observes that the major public use of our national forests provides the clearest directive of real public desires. Majority use is a more reliable guide than minority comment. Man-days use of wood products through everyday living and recreation by American citizens far outweigh man-days use of wilderness. Wood products costs have risen faster than the rate of inflation. These considerations suggest a need to maximize forest productivity on all national forest acreage without further land withdrawals. Both science and history support the feasibility of other uses when timber is managed for high yields.

OREGON WOMEN FOR TIMBER

Mrs. Betty L. Denison
President

November 20, 1980

"Oregon's treasure: renewable resources"

Statement of the Society of American Foresters

Submitted to the Subcommittee on Forests,
House Committee on Agriculture
Washington, D.C.
November 20, 1980

FOR THE RECORD

Re: Resource Planning Act Oversight

Mr. Chairman,

This statement is presented on behalf of the 22,000 members of the Society of American Foresters, a national organization representing all segments of the forestry profession of the United States including public and private practitioners, researchers, administrators, and forestry students.

We appreciate the opportunity to submit this statement to the subcommittee and commend you, Mr. Chairman, for your interest and oversight efforts on behalf of the Resource Planning Act, and the wise management of our renewable natural resources.

We believe that RPA represents the best available process for assessing and providing for the nation's long-term natural resource needs. We commend the U.S. Forest Service for its substantial efforts to make RPA successful. To be effective, however RPA must enjoy support from Congress, the President, federal agencies, and the various forest users. We can avoid unnecessarily

Approved by the President and Executive Vice President of the Society of American Foresters on September 15, 1980, in accord with Section II-B(2) of SAF Bylaws. A position of the Society of American Foresters expires three years after the date of its adoption unless, after thorough review, its continuance is approved.

diminished levels of goods, services, and values from our forests and rangelands only if RPA is implemented with the spirit which led to its passage in 1974.

We respectfully submit, however, that because the RPA documents have not been publicly released in a timely fashion, it has been impossible for interested organizations to make detailed analyses and to develop position statements on the recommended Program.

Therefore, Mr. Chairman, the Society's comments today are of a preliminary nature but address a couple of issues relevant to the purpose of this hearing.

The 1980 Resources Planning Act Program introduces a new approach for defining the future direction of management, protection, cooperative, and research programs of the U.S. Forest Service. Instead of using single-valued objectives for Program elements, the 1980 Program offers a range of outputs for each element in the form of "high" and "low" bounds.

Two issues related to the concept of defining the Program through the use of high and low bounds deserve attention. The first issue concerns the procedure through which this change was introduced. The second and more important issue concerns the effect this change will have on implementing RPA considering both national policy and budget development.

The expression of Program outputs as ranges, defined by high and low bounds, was not used in the 1976 Program or the review drafts of the 1979 Assessment and Program Direction documents which provided the basis for public participation in the development of the 1980 Program. The concept of high and low bounds has not yet been

adequately explained. Even more critical, neither Congress nor the public has received any rational explanation of output ranges which encompass everything from sharply increasing to sharply decreasing levels for particular program elements.

In sum, the procedures followed in the formulation of the 1980 Program in terms of output ranges have been unfortunate. The failure to provide for public participation, the failure to submit the Program in a timely manner, and the failure to explain or rationalize the widely divergent directions included within the ranges for individual elements are adverse to effective implementation of RPA and undermine public confidence.

A more significant issue relates to the effect that using high and low bounds will have on the Program as a guide to the development of policy and budgets. How useful can the 1980 Program be with goals so broad as to encompass contradictory trends--reflecting uncertainty and disagreement as to the recommended direction of program development?

For instance, the volume of programmed timber sales on the national forests may remain relatively stable or decline by as much as 10 percent. Livestock grazing may also be stable or decline slightly by as much as 5 percent. For a number of important program elements, the ranges between the high and low bounds encompass contradictory directions of development. Provisions for recreational use may expand by more than 20 percent or decline by 12 or 13 percent. Wildlife habitat improvement may either increase by 40 percent or decline by nearly 50 percent.

The number of enrollees in human resources programs may expand by 22 percent or decline by 12 percent. The mileage of road construction and reconstruction may be either increased by 22 percent or decreased by 51 percent, while the direction proposed for trail construction and reconstruction ranges amazingly from plus 255 percent to minus 58 percent. Total operating costs for the National Forest System may either increase by up to 17 percent or decline by as much as 10 percent.

In assessing the effects of this new form of Program expression, it is also essential to keep in mind the limited period of time over which the 1980 Program will be in effect. While the Program covers the 50-year period from the 1980 to 2030 as required by RPA, it will be in effect for a period of only five years. During the first six months of the fiscal year ending September 30, 1985, an updated 1985 Program must be completed to replace the 1980 Program. Thus the 1980 Program is actually the recommended program for the five-year period ending in 1985, and yet, it is during this period that the high and low bounds are so widely discrepant as to largely nullify its usefulness.

The Program is intended as a guide to the budget, not as a control over it. As President Carter indicates in his Statement of Policy, each annual budget for the Forest Service will be subject to the zero-based budget process, with full consideration of each year's economic and fiscal context. The 1980 Program as recommended with high and low bounds ensures a high probability that any budget likely to be proposed within the next five years will fall within the Program bounds, at least in overall terms. Thus, by designing

the 1980 Program to justify future budget proposals, the administration has failed to develop a clear recommendation for program development. There are no targets upon which a forest resource manager may set his sights.

The Society recommends for your attention, the "white paper" on RPA developed by the Senate Agriculture Subcommittee on Environment, Soil Conservation, and Forestry, published in the Congressional Record on August 5, 1980. The general tenor and direction of the findings and recommendations represent an encouraging attempt to articulate goals for improving the productivity of our forests and rangelands. We do have reservations about the specific goals, however. The white paper maintains that the sponsors of the original bill believe management should be designed "to achieve maximum biological outputs from the lands." Given the necessarily arbitrary nature of definitions and measurements of biological productivity, it is likely that consideration of costs and benefits as required under RPA will demonstrate that some lands should be managed at output levels above their defined potentials while other lands should be managed well below such potentials. And while we agree with the white paper's finding that timber productivity needs to be increased, the growing of timber is not now, nor is it likely to become, the primary objective of public or private owners for all of the 482 million acres of commercial forestland. SAF encourages efforts to define more specific goals, but the Society believes further study will be necessary to ascertain realistic targets.

The Society of American Foresters recommends that the subcommittee continue its efforts to focus public and congressional attention on the deficiencies of the RPA process relating to Program goals. The scheduling of additional hearings would be appropriate. SAF will provide the subcommittee and the US Forest Service with a detailed critique of the RPA documents in the near future.

Again, Mr. Chairman, we appreciate this opportunity to submit our views on this most important planning process.

SRM

SOCIETY FOR RANGE MANAGEMENT

OFFICE OF THE EXECUTIVE SECRETARY
2760 WEST FIFTH AVENUE
DENVER, COLORADO 80204

November 25, 1980

(303) 571-0174

The Honorable James Weaver, Chairman
Subcommittee on Forests of the House Committee on Agriculture
Room 1301
Longworth House Office Building
Washington, D.C. 20515

Dear Mr. Weaver:

The Society for Range Management (SRM) joins with the American Forestry Association (AFA) in the forceful written and oral presentation made by AFA at your hearing concerning the Resources Planning Act on Thursday, November 20. In addition, the Society for Range Management wishes to file the following statement for the record.

SRM is a professional organization of 6,000 members, international in scope, representing individuals and groups with a common interest in the study, management, and rational use of public and private rangelands and related ecosystems. Its' headquarters are in Denver, Colorado.

As you know, rangelands of the United States comprise over 40 percent, approximately 800 million acres, of the total land area. These lands provide a wealth of natural resource products and values and millions of people use and benefit from the wide variety of natural resources produced on rangelands. The abundance of natural resources found on our rangelands and forest lands are a significant national treasure which demand our wise and thoughtful stewardship in perpetuity.

SRM is vitally interested in all the values and products found on rangelands and our membership includes ranchers, wildlife biologists, hydrologists, range conservationists, students, teachers, businessmen, and others, reflecting the wealth and variety of rangeland values and the diversity of interests in rangelands. We support sustained multiple-use of rangeland resources and have members with expertise in all rangeland sciences and in coordinated resource planning and management.

In addition to the points made in the statement by AFA and SRM on November 20, SRM is concerned with the economic approach used in the RPA assessment and the proposed program. Many values in our rangelands are not fully considered in this cost/benefit approach, i.e., watershed protection, recreation, and wildlife habitat to name a few. When values associated with increased grazing by domestic animals are considered as the only value from improved range management, then the resulting programs fail to recognize the additional benefits to soil protection, water quality improvement, and increased wildlife habitat. Therefore, failure to recognize and account for these other benefits resulting from range improvement and management result in an unfavorable cost/benefit ratio. Hence, investment



Journal of RANGE MANAGEMENT • Rangeman's Journal

SOCIETY FOR RANGE MANAGEMENT

in rangeland improvement and management is considered uneconomical and unjustifiable during budget formulation.

About two-thirds of our rangelands are privately owned but the public lands also provide a vital contribution to a total ranching operation. Future demand for red meat is projected to increase, resulting in increased demand for forage. Rising energy costs in grain production and increased worldwide demands for human consumption of grain make forage from rangelands to feed livestock more attractive than ever before. It is likely that future projections will show this more vividly than at present. SRM believes that now is the time to recognize the wealth of valuable outputs from rangelands and invest accordingly in conservation, improvement, and management of these lands and resources.

In brief, SRM believes the RPA program does not project the reasonable needs for more intensive management of our rangelands. SRM believes it is at least 20 percent too low based on present funding and the proposed "upper bound."

For many years, SRM has been concerned with the inadequacy of funds for range research. Although much good work has been done by the Science and Education Administration, Forest Service Research, State Agricultural Experiment Stations, and others, there are still significant deficiencies in our knowledge and significant potential for research that we cannot continue to ignore. Specifically, we call to your attention H.R. 14112, 95th Congress, 2nd Session, introduced on September 18, 1978 by Congressman Poage. This bill would authorize and direct the Secretary of Agriculture to establish a national program of rangeland research to be carried out by the several states on a matching basis. It was titled "The Cooperative Rangeland Research Act of 1978." On October 15, 1979, Senator Melcher introduced a revised bill after H.R. 14112 had been reviewed and modified by SRM and many others. SRM suggests that the entire rangeland research program be reviewed and given new impetus by the Congress.

SRM believes that more public understanding is essential for all that is involved in the use and management of rangelands. The proposed cooperative state and private programs in the RPA are a step in this direction. However, there are also great opportunities in technical assistance to private owners of rangelands through extension efforts. In this regard, SRM calls to your attention the Renewable Resources Extension Act (PL 95-306) enacted in 1978 but yet to be funded. We strongly encourage funding at the full \$15 million authorization for F.Y. 1981.

Thank you, Mr. Weaver, for the opportunity to present this written statement. SRM intends to closely monitor development of the RPA and RCA programs and to provide comments at the various stages. The Society has a wealth of knowledge and experience within our membership and we offer our assistance as you may request for developing programs in rangeland research, extension, and management of our vast natural resources.

Sincerely yours,

Harold F. Heady
Harold F. Heady, President
Society for Range Management

Richard A. Robyn
Executive Director and Counsel
1107 Ninth Street, Suite 537
Sacramento, California 95814
(916) 448-8394

Alaska
Senator H. D. Meland
Senator Robert H. Ziegler, Sr.
Representative Richard Eliason
Representative Orval Freeman

California
Senator Roy Johnson
Senator Barry Keene
Assemblyman Douglas H. Bosco
Assemblyman Norm Waters

Idaho
Senator Kermit Kiebart
Senator J. Wilson Steen
Representative Cory Ingram
Representative G. Wendell Miller

Western States Legislative Forestry Task Force

SENATOR BARRY KEENE, CALIFORNIA
CHAIRMAN

SENATOR JOHN MANLEY, MONTANA
VICE-CHAIRMAN

Oregon
Senator Ted Hallock
Senator Mike Thorne
Representative Bud Byers
Representative Robert "Bob" Brogioni

Washington
Senator Lowell Peterson
Senator Pat Wamolsker
Representative Rollie Schmitt
Representative Jerry Vrooman

Montana
Senator John Manley
Senator George Raskie
Representative Burt Hurwitz
Representative Joe Kanduch

Wyoming
Senator Earl Christensen
Representative Marlene Simons

A RESOLUTION RELATIVE TO FULL FUNDING OF THE FOREST AND RANGELAND RENEWABLE RESOURCES PLANNING ACT (RPA) GOALS

WHEREAS, in 1974, Congress passed the Forest and Rangeland Renewable Resources Planning Act (RPA); and,

WHEREAS, in 1976, the RPA was amended and expanded by the National Forest Management Act (NFMA); and,

WHEREAS, among other things, RPA and NFMA provide for the establishment and revision of national, regional and local resource goals and objectives; and,

WHEREAS, there is more and better information about timber supply and demand than about any other renewable resources; and,

WHEREAS, at a hearing held October 11, 1980, by the Western States Legislative Forestry Task Force, the Chief of the U. S. Forest Service testified that there is not enough timber available to meet our nation's needs unless there is a greater level of investment by both the private and public sectors; and,

WHEREAS, the federal government has discouraged increase in such private investment and, at the same time, been unwilling to increase its level of public investment; and,

WHEREAS, at said October 11 hearing, the Chief advised that the President's current recommended budget would not meet the funding goals recommended by the RPA and implied that the goals were being manipulated to place the budget in a more favorable light; and,

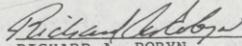
WHEREAS, it appears the Administration is adopting the politically expedient avenue of demand management as opposed to supply management; and,

WHEREAS, during the 1980's, the need for wood products will more than double and Congress did not intend for RPA goals to be dictated by budget considerations unrelated to realistic needs.

NOW, THEREFORE, BE IT RESOLVED by the Western States Legislative Forestry Task Force that this Task Force does hereby urge the Congress of the United States to give careful consideration to increasing wood product supplies from federally owned lands and, in particular, the National Forest System, by appropriating sufficient funds to achieve the goals identified through the RPA process.

BE IT FURTHER RESOLVED that the Executive Director be and he is hereby authorized and directed to forward copies of this Resolution to Congressmen of Task Force member states, the President of the United States, the U. S. Secretary of Agriculture, Chief of the U. S. Forest Service, and State Foresters of Task Force member states.

On motion by Representative Marlene Simons, seconded by Representative Gary Ingram, the foregoing Resolution was duly passed and adopted at a regular meeting of the Western States Legislative Forestry Task Force held October 10, 11, and 12, 1980, in Kalispell, Montana.



RICHARD A. ROBYN
Executive Director and Counsel

10/23/80
bmc



NORTH WEST TIMBER ASSOCIATION

1365 OAK STREET • P.O. BOX 5554 • EUGENE, OREGON 97405
 TELEPHONE: (503) 686-9603

December 4, 1980

Honorable Jim Weaver
 Chairman, Forest Sub-Committee of the
 House Agriculture Committee
 U.S. House of Representatives
 1301 Longworth House Office Building
 Washington, DC 20515

Dear Congressman Weaver:

We would like to take advantage of the 30-day grace period to incorporate our comments into the record of your November 20 hearing on the 1980 report to Congress by the Administration on fulfillment of the requirements of the 1974 Resource Planning Act.

North West Timber Association is a trade association composed of independent lumber and plywood manufacturers in western Oregon. Our membership is almost totally dependent on federal timber for its raw material supplies, and therefore, has a very keen interest in the management of our national forest especially with respect to timber harvest goals.

It is our opinion that the current Administration and the Forest Service are not only derelict in their duties, but have completely negated their responsibility to fulfill the requirements of the Resource Planning Act. The law specifies that the President should send to Congress a preferred program of work, rather than a range of options, so that the Congress will have the benefit of the best professional advice available from the Forest Service. The Administration, through the Forest Service, did not fulfill that requirement--did, in fact, only offer a range of goals. Even the high range of these goals will not come close to filling the needs of resource management in our national forest system.

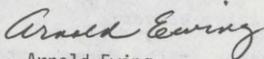
Timber harvest offerings as projected for Region 6 are relatively stagnant through the year 2030. This Region has the highest potential for increased management of any Region in the national forest system.

The Forest Service has not established a goal from which the Congress can analyze the accomplishments of the Forest Service, as was originally contemplated by Senator Humphrey when he introduced and shepherded the original RPA legislation through Congress. Assumptions were made by the Forest Service that have little bearing on reality and little or no scientific or economic roots to base them on. The Forest Service has passed their responsibility to supply wood fiber on to a

very nebulous private sector which even they cannot adequately describe. That small private woodlot owner is given an awesome responsibility to meet our wood fiber demands and yet the Forest Service cannot even document the inventories and harvest potentials from those lands.

Recently there has been a loud hue and cry from not only the timber industry, but from the Forest Service, on what is called "speculative bidding". Stumpage prices have risen to astronomical proportions. One of the main reasons for this drastic rise is the uncertainty of future timber supplies to the potential timber purchaser. The RPA program that the Forest Service has presented to Congress will not alleviate any of this apprehension and will only cause more bidding at unreasonable levels. Congress indeed needs to become closely involved with the Forest Service to establish realistic goals and a management policy that will draw the greatest benefits from the land they manage. The American public deserves more than what they received in this latest RPA effort.

Sincerely yours,



Arnold Ewing
Executive Vice President

bjm



P.O. Box 141, Westerville, Ohio 43081

Telephone (614) 891-2425

December 5, 1980

Telex: 245392

The Honorable James H. Weaver
1226 Longworth House Office Building
Washington, D.C. 20515

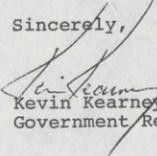
Dear Representative Weaver:

I was present at the Forest Subcommittee public hearing on November 20 which discussed the 1980 resources planning assessment.

Our association is interested in participating in any of the policy development of the RPA process and its eventual appropriations. During the hearing, I was impressed with the analogy you drew on non-renewable mineral related leases and the needs for progressive financing for the protection of our renewable resources.

If there is a way which we can contribute to this idea or provide information relative to our use as a recreationalist of the natural resources addressed by RPA, please let us know.

Sincerely,


Kevin Kearney
Government Relations

KK/tg

