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REVIEW OF IMPLEMENTATION OF THE HEALTHY FOREST RESTORATION ACT OF 2003

HEARING

BEFORE THE

SUBCOMMITTEE ON FORESTRY, CONSERVATION, AND RURAL REVITALIZATION

OF THE

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

UNITED STATES SENATE

ONE HUNDRED EIGHTH CONGRESS

SECOND SESSION

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REVIEW OF IMPLEMENTATION OF THE HEALTHY FOREST RESTORATION ACT OF 2003

THURSDAY, JUNE 24, 2004,

U.S. SENATE,,
SUBCOMMITTEE ON FORESTRY, CONSERVATION, AND RURAL REVITALIZATION, OF THE COMMITTEE ON AGRICULTURE, NUTRITION AND FORESTRY,,
Washington, DC.

The subcommittee met, pursuant to notice, at 9:35 a.m., in room SD–562, Dirksen Senate Office Building, Hon. Michael Crapo, [Chairman of the Subcommittee], presiding.

Present or Submitting a Statement: Senators Crapo, Cochran, Coleman, Talent, Lincoln, and Baucus.

STATEMENT OF HON. MICHAEL CRAPO, A U.S. SENATOR FROM IDAHO, CHAIRMAN, SUBCOMMITTEE ON FORESTRY, CONSERVATION, AND RURAL REVITALIZATION, COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Senator CRAPO. The hearing will come to order. This is a hearing of the Subcommittee on Forestry, Conservation, and Rural Revitalization. We are here today to review the implementation of the Healthy Forest Restoration Act. It has been nearly a year since the Committee held its first hearing on the act and over just 6 months since this important legislation was overwhelmingly enacted into law.

There was and is a clear need for this legislation, and I am pleased that I was able to work with so many of my colleagues on this Committee and in the Senate in a bipartisan manner to get the much-needed bill through. Throughout the debate on this legislation, we talked about the wide scope of the problem: 190 million acres of Federal land at high risk to catastrophic wildfire; millions of trees being ravaged by insects and disease and that these are not geographically isolated problems. They are nationwide concerns, concerns that have a direct impact on neighboring lands.

Despite the scope of that problem, some have the impression that with the passage of the Healthy Forest Restoration Act, we have solved the forest health crisis. This is an important step in the proper management of our forests, but it is not a silver bullet. The 2004 fire season is expected to be another difficult year. The drought facing our country continues to exacerbate the fire risks, and many States in the West are expected to have another above normal fire season.

I raise this to make the point that we will have large fires this year, and we will have large destructive fires the year after and the

year after that and the year after that. Addressing these threats is a long-term goal. I've also heard from many in my State who understand how large this crisis is and who are anxious to see projects in their communities and in their forests.

We will get this straightened out here in a second. The authorities under this bill will help and are crucial to addressing the threats on private and public lands, but the bill will not be implemented overnight. Another point to keep in mind is that we were cautious in this bill not to override environmental laws. The agencies must continue to fully comply with the Endangered Species Act, the Historic Preservation Act and other applicable laws. Those of you with experience with the ESA know that it does not make any activity easy to implement.

Given the hurdles, the agencies are making good progress in implementing this legislation. I appreciate the overall efforts on fuels reduction under this authority, under the Healthy Forest Initiative Authority, and the many projects that have been underway since before these authorities were provided. However, we, Congress and the public, must continue to pressure and oversee the agencies to ensure aggressive and proper implementation of all aspects of this bill.

It has been my experience that the more open and inclusive the process, the more accepted it is by the public. With that philosophy in mind, I appreciate the efforts the agency have undertaken to collaborate with the public. I note the interagency Website that the agencies have developed to serve as an easily accessible clearinghouse of information for the public, and it is my hope that they will continue to place a priority on www.healthyforests.gov as an important link to the public.

The role of the communities in addressing forest health cannot be understated. As such, I am pleased that one of our witnesses today is Commissioner Robert Cope from Lemhi County, Idaho. Commissioner Cope has been a leader in the Idaho State Fire Plan working group. That group has worked to get more and more Idaho categories to develop county wild land-urban interface fire mitigation plans. Somebody could make an acronym out of that one.

These will be important in working with agencies on fuels reduction projects, and I am pleased that Idaho is a leader in identifying threats from wild land fires and creating local solutions. I appreciate your being here today, Commissioner Cope.

I also want to commend the Society of American Foresters, the National Association of State Foresters, the National Association of Counties, the Western Governors Association and the Communities Committee of the Seventh American Forest Congress for their work in developing a handbook to guide local community efforts in developing their wildfire protection plans.

Many of the groups that developed this plan are here today, and I want to take a moment to thank them for their leadership in the development of this handbook. I expect that this handbook will be a vital tool for communities looking to prepare for fire risks.

I am pleased today to have Mark Rey, Under Secretary for Natural Resources and the Environment at the Department of Agriculture and Chad Calvert, Deputy Assistant Secretary for Land and Minerals Management at the Department of the Interior here

to testify on the implementation of the Healthy Forest Restoration Act and the progress that they have made in implementing this act since it was signed into law last November or December, and I am particularly interested in hearing what progress has been made in managing the small diameter materials that come off of our forests.

The growing loss of infrastructure is troubling, and I am curious about what is being done to help develop markets for this material. Following their testimony, we will hear from individuals representing those affected by this legislation. I look forward to their insight and will introduce them when we bring up their panels.

I want to thank all of our witnesses for being here today, and I look forward to an informative hearing. Senator Lincoln, who is very interested in this hearing, will be here shortly, and when she does, we will interrupt and allow her to make any opening statement that she would like to make. I see that Senator Coleman is arriving, so, Senator, I am going to wrap up here in just a minute so you can get prepared for your opening statement if you would like.

While Senator Coleman is taking his seat, let me just give a few instructions to the witnesses: you all should have received an instruction letter, and that letter should have indicated to you that we would like for you to keep your oral testimony to 5 minutes. We have a little machine here that counts down and tells you what your time is, and the red light starts blinking when your time has expired.

I want to encourage you to pay attention to that, because we would like to have enough time to have dialog and give and take with the Senators who are here. I can assure you that if you are like most witnesses, your 5 minutes will expire before you have said what you want to say. Please be assured that we would like you to still wrap up and just conclude whatever thought you are on when your time expires, and we will have time for questions and answers, and if there are things that you did not get to say during your 5 minutes, you will have an opportunity during the question and answer period.

Your written testimony is all a part of the record, so you do not need to worry about asking to make your written testimony a part of the record, and your written testimony is going to be very thoroughly and carefully reviewed, in fact, many of us have already read it.

With that, Senator Coleman, do you have any opening statement?

STATEMENT OF HON. NORM COLEMAN, A U.S. SENATOR FROM MINNESOTA

Senator COLEMAN. Thank you, Mr. Chairman. I want to thank you for holding this hearing and for your leadership and also for the bipartisanship displayed by you and my very good friend, Senator Lincoln, with whom I have worked so closely on many farm bill-related issues. This critical legislation would not have ever happened, so thank you both for your strong leadership and for the spirit in which you have made all of this possible.

I want to thank the members of the panel for appearing today to discuss the progress of this legislation. This Healthy Forest Res-

toration Act is a solid piece of legislation. It takes common sense steps to improving our nation's forests. At times, forest health is frequently described as a Western U.S. issue, but the reality is it is a concern to all of us and certainly a concern to me, because in my home State of Minnesota, we have two national forests, the Chippewa and the Superior. These forests span 5.8 million acres across Northeastern Minnesota.

Over the past few years, Minnesota has seen its share of forest health problems. On July 4, 1999, heavy rain and straight line winds in excess of 90 miles per hour blew down trees and caused severe flooding over the more than 600 square miles of the Superior National Forest. In 2002, forest mortality exceeded net growth, and spruce budworm infestations have resulted in the death of one-third of the balsam fir in Minnesota.

According to the Superior National Forest, the potential still exists for an extreme wildfire event in the blowdown areas that could threaten visitors and communities outside of the wilderness. These risks will reduce incrementally with the completion of prescribed burn units over the next several years. This brings me to an important point that I want to stress: the Healthy Forest Restoration Act will fix these problems over a period of many years rather than many months. It will take the coordination of local, State and Federal officials along with detailed planning and patience, but I know that everyone is up to the task.

In Minnesota, we have seen many organizations continue to work together ever since the blowdown which we talked about in the Committee hearing of overwhelming magnitude. Folks have come together; they have developed strategies and tactics to prevent future disasters. This was originally possible because special exemptions were issued from the Council on Environmental Quality to work in high risk areas.

The implementation of the Healthy Forest Restoration Act will continue to help reduce procedural delays to projects that reduce fire danger and address forest health problems. I am pleased that the legislation accomplishes this, and it does so in a way that involves the public throughout the process.

The Healthy Forest Restoration Act will better enable forest managers across the country to prevent future disasters by removing barriers that discourage cooperation. The Superior National Forest has recently almost doubled their staff of experienced fire specialists and increased fire safety training for all its employees. They have worked aggressively to reduce fuels, first in the highest-risk urban interface areas; to integrate buffers by treating locations of concentrated blowdown fuel on National Forest lands to slow the spread of wildfire.

Mr. Chairman, I would like to have my complete statement entered into the record, and I would just close by saying that the nation's forests are living systems, and we have to restore, manage and protect them. These principles will not only help to wildfires; they will ensure that we have clean air and water, quality fish and wildlife resources and strong communities for generations to come.

I look forward to hearing from the panelists, for their views and suggestions. Again, thank you.

Senator CRAPO. Thank you very much, Senator Coleman, and your full statement will be made a part of the record.

I should have said to the witnesses one last bit of instruction, and that is that if you are like me, sometimes, you will forget to pay attention to the clock, and if you get to going too far over, I will just slightly tap the gavel up here, and that should help you to remember to take a look at that clock.

With that, we have already introduced our first panel, and Mr. Rey, why do you not begin?

STATEMENT OF MARK REY, UNDER SECRETARY, NATIONAL RESOURCES AND THE ENVIRONMENT, U.S. DEPARTMENT OF AGRICULTURE, WASHINGTON, DC

Mr. REY. Thank you, Mr. Chairman and thank you for the opportunity to testify on the administration's progress in implementing the Healthy Forest Restoration Act of 2003. President Bush signed this legislation just about 6 months ago on December 3, 2003, and we are all grateful for the swift action by the Congress, by this Committee under your leadership for the swift action in passing this important piece of legislation to provide the Federal agencies with additional tools to deal with wildfire risk.

The Act complements administrative reforms that have been put into place under President Bush's Healthy Forest Initiative. These reforms facilitate hazardous fuel treatments and ecological restoration projects on Federal lands. The Act is also complemented by another important authority provided by Congress early last year to expand the use of stewardship contracting by both the Forest Service and the Bureau of Land Management.

In the 7 months since Congress passed the Healthy Forest Restoration Act, the Departments have taken a number of actions to implement it, including issuing, in February of 2002, an interim field guide that was jointly prepared by the Forest Service and the Bureau of Land Management to assist Federal land managers to better understand what would be required to implement the Healthy Forest Restoration Act, and I will provide a copy of that field guide for the Committee's record for this hearing.

We have also developed a variety of awareness and training tools for agency employees, including a Web-based Forest Service Internet site with overview training on the Healthy Forest Initiative and the Healthy Forest Restoration Act and other relevance information including on stewardship contracts, endangered species regulations, collaboration on multiparty monitoring, biomass information, and model environmental assessments.

We have also made available to the public a wide variety of materials on the Healthy Forest Initiative and the Healthy Forest Restoration Act on the World Wide Web in the Website that you mentioned.

Let me talk a little bit about what we are doing to implement each of the titles of the Healthy Forest Restoration Act. Title I provided us with expedited procedures to conduct fuels treatment work and forest restoration work on Federal lands administered by the Forest Service and the Bureau of Land Management. All of the implementing regulations and guidelines for Title I projects have been developed and sent to the field for review.

Year-to-date, the Federal agencies have treated 88 percent of their target acres with a little over a quarter of the year left to go, so we will exceed the fuels reduction targets we set for ourselves this year, and at the end of the fiscal year, after all is said and done, we will have treated about 4 million acres of Federally-managed forest and rangeland, and that will be an all-time record.

Title II provides information and resources to help overcome barriers to the production and use of woody material produced on fuels reduction and forest restoration projects. Within the next couple of weeks, we will announce the results of the 2004 grant solicitation process for the Biomass Research and Development Act, which was modified by Section 201 of the Healthy Forest Restoration Act, and this action will generate a significant increase in woody biomass related research.

The results of our ongoing research on the utilization of woody biomass are provided for you and some examples of new applications that I brought from our wood products laboratory in Madison, Wisconsin. The materials there are self-explanatory. The filters you see there use juniper, which has very little other commercial value, but it turns out to be an excellent filtering agent in a variety of industrial applications.

Title III authorizes the Forest Service to provide technical, financial and related assistance to private forest land owners aimed at expanding their forest stewardship capacities. The Forest Service is working with state foresters and Indian tribes to develop separate guidelines for the State Watershed Forestry Assistance Program and the Tribal Watershed Forestry Assistance Program.

The Secretaries of Agriculture and Interior announced during a forest health conference in Little Rock, Arkansas, 2 weeks ago the formation of a series of partnerships to help implement Title IV and other titles of the Healthy Forest Restoration Act in the southern United States. Among these are the Forest Service partnerships with southern universities and State forestry agencies to conduct two landscape scale applied research projects on the Ozark/St. Francis National Forest to address infestations of the southern pine beetle and the red oak borer, which threaten forest health in that region.

The Natural Resources Conservation Service has been designated to administer the Healthy Forest Reserve Program authorized under Title V of the Healthy Forest Restoration Act, and the regulations implementing that title will be issued shortly. Finally, with regard to Title VI, the Forest Service has developed and published the Forest Early Warning System for forest health threats in the United States, which describes for the first time in one place the nation's system for identifying and responding to forest health threats, including Websites to obtain further information. I will provide a copy of the Early Warning System for the Committee's record at this hearing as well.

In conclusion, we have been hard at work implementing all of the titles of the Healthy Forest Restoration Act, and with these new authorities, we will exceed the target we set for fuels reduction this year, which is the highest target and highest accomplishment that the Federal Government has ever maintained in this area.

Thank you very much.

[The prepared statement of Mr. Rey can be found in the appendix on page 50.]

Senator CRAPO. Thank you very much, Mr. Rey. We appreciate your work.

Mr. Calvert.

STATEMENT OF CHAD CALVERT, DEPUTY ASSISTANT SECRETARY, LAND AND MINERALS MANAGEMENT, U.S. DEPARTMENT OF THE INTERIOR, WASHINGTON, DC

Mr. CALVERT. Thank you.

First, I want to thank the Subcommittee for the hard work on the Healthy Forest Restoration Act and particularly you, Mr. Chairman, for your leadership in getting that act through the Congress.

I will just elaborate on what Mr. Rey has said and maybe go through some of BLM's particular accomplishments. With regard to training, following the issuance of the field guidance, the Department of the Interior put together a larger guidance document that is available on the Web to help field managers understand all of the tools that were contained not only in the Healthy Forest Restoration Act but the administrative tools from the Healthy Forest Initiative.

We have had a series of satellite training seminars with all of the field managers; to date, more than 90 of the field managers have completed that training. We have also cooperated very closely with our Department's contracting officers, who have held a series of outreach meetings that have included community participants, the BLM and the contracting officers to help them walk through the process for putting together successful stewardship contracts. In fact, we had three of those in Idaho this year: one in Idaho Falls, one in Post Falls and one in Grangeville.

The Department is also working to propose a woody biomass utilization rule that will allow an option for service contractors to remove woody biomass as a part of service contracts, where it is ecologically appropriate, and in accordance with the NEPA documents and the law, of course.

With regard to Healthy Forest Restoration Act projects, our 2005 project list was approved this spring, and the BLM expects to use the tools in the Healthy Forest Restoration Act on approximately 170 of those projects, covering around 90,000 acres. As an update on our 2004 fuels projects accomplishments, for the Bureau of Land Management, we have so far completed to date 306,000 acres of treatments in non-WUI, which is around 70 percent of our target for 2004 and have completed almost 150,000 acres in the WUI, which is approximately 83 percent of the target, and I am proud to let you know that the State of Idaho is leading for the BLM on fuels treatments and has accomplished over 75 percent of their 2004 targets.

I want to walk through a couple of the stewardship contracts, because that authority is something that the BLM really sees as being a key to the success of accomplishing fuels reduction. The BLM is prepared to let 37 contracts in 2004 and has plans to clear and let an additional 70 contracts for 2005. There has been a lot of interest. The BLM is working to set up workshops with the

Intertribal Timber Council to help tribes understand how they can become involved, and they are preparing supplemental guidance to address a series of issues that have arisen, particularly how to use forage, cheatgrass, things of this nature in stewardship contracts, how to improve on community collaboration, how to coordinate best with the Service First offices in the Forest Service and how to establish interagency agreements with local governments and tribes.

A couple of the examples of BLM stewardship contracts, particularly in Idaho, which are of note is the Whiskey South project, which unfortunately has currently been protested and appealed, but it is approximately a 1,000 acre project in Idaho and would allow for harvest of up to 8 million board-feet as a part of the service contract. I believe the stewardship contract would accomplish roughly $1 million in ecological restoration at the same time. This project actually would return some additional money to the program in Idaho for new projects.

A couple of projects that are underway for the rest of the summer that have been approved is one in the shrublands, which is something that is a little more peculiar to the Bureau of Land Management than the Forest Service, but it is over 1,000 acres of mechanical treatment of juniper in the shrublands and will improve critical deer habitat among other things.

In the Lemhi-Aspen Restoration Project, which is roughly 1,000 acres over a couple of years for removing Douglas fir and juniper, and there, we have a really good partnership with the Rocky Mountain Elk Foundation, which is contributing some funds for that.

In closing, the BLM, I just want to assure the Subcommittee, is deeply committed to an aggressive implementation of this act. We plan to work very closely with communities to develop community wildfire protection plans, and we think that's another key to the success of this.

Senator CRAPO. Well, thank you very much, Mr. Calvert. We appreciate both you and Mr. Rey and the efforts of your agencies for the implementation of this legislation.

Before we begin questions, we have been joined by Senator Baucus and Senator Lincoln, and I would afford each of you an opportunity for an opening statement if you would like to make one at this time.

STATEMENT OF HON. BLANCHE LINCOLN, A U.S. SENATOR FROM ARKANSAS

Senator LINCOLN. Thank you so much. Is this working? I have it on. Here, let me get a little bit closer. These are big chairs.

A special thanks to Chairman Crapo, who has done just an incredible job. I am proud to be here working with him to discuss the implementation of the Healthy Forest Restoration Act, which we both worked very, very hard on, and I can safely say not only was it something that I felt good about doing on behalf of Arkansans, but it was a delight to work with Senator Crapo. We came into the House together; we came into the Senate together, and he has been great to work with, and so, I thank you, Mr. Chairman for all of your hard work.

Senator CRAPO. Well, I return those same thoughts. We actually not only came into the House together; we ended up sitting beside

each other in our first Committee assignment, so we have had quite a history of working together.

Senator LINCOLN. We have. It is a great friendship, and I am proud to be part of it.

This was such an important piece of legislation that we have all worked closely on during the Congressional consideration, and I am also very proud to be here today to exercise our oversight responsibility and get an update on the progress of implementation. Follow-through for us is very, very important up here. Oftentimes within the Beltway, we get things done, and then unfortunately, we tend to lag in terms of review, and that is most important, and we are pleased that you are here to work with us from this panel and the other panels.

Before I begin my very brief remarks, I also want to thank the panelists for your participation not only in today's hearing but in both the bringing about of the new Act and also its implementation. I am particularly pleased that we have with us before the Subcommittee today Mr. Jim Crouch of Russellville, Arkansas. Mr. Crouch is a tremendous help to me and my staff on the forestry issues with many, many years of experience in the field and great people in Arkansas that he can call on for expertise as well. I consider him a good friend, and I look forward to his testimony and appreciate his work.

I also want to take this opportunity to publicly thank Under Secretary Mark Rey. He has, on more than one occasion, taken the time to sit down with me and my constituents to answer some of our questions, listen to our views, visit with us, help us walk through many, many issues, and I very much appreciate his generosity of time and his knowledge.

I look forward to his testimony and getting to read it. I am sorry I missed it, but working with him, too, to ensure that implementing this new law is done in a timely and effective manner. We appreciate that working relationship, Mark.

Mr. REY. Thank you.

Senator LINCOLN. The Healthy Forest Restoration Act takes the necessary steps, we believe, to ensure that we can address the many problems affecting all of our nation's forests, both on public and private forest land. In southern and western forests and throughout both hardwood and pine ecosystems, this legislation was intended to correct the direction of forest legislation in our country.

I was very proud to be joined in a bipartisan effort to ensure that the bill was passed and signed into law and look forward to in that same bipartisan effort being able to make sure it gets implemented with all of the good intents that we had.

I believe that the important legislation focuses much-needed attention on a number of extremely critical goals for our National Forest policy. One lesson that we learned over the years is that if we value our forests, and if we want to conserve our woodland resources, if we want to preserve their natural beauty, and if we want to ensure that the natural bounty of our forest land is available to future generations, then, it is important that we manage those lands and resources with a careful eye toward their long-term health.

Now, the rest of these gentlemen, after we finished voting at 11 last night, probably went home and went to bed. I, however, went home and packed two trunks for two little boys who are going off to camp in the woods.

[Laughter.]

Senator LINCOLN. As you may well know, many of us look at these projects and look at this legislation as something that is vital not only to our nation but to some of the ways of life that many of us grew up with and something we want to continue for future generations. Having spent much of my time growing up in the forests of Arkansas with my father and with my family, it is critically important that we recognize that in order to maintain and to have that sustainability for future generations, we must manage our forests correctly.

For my State of Arkansas, I am very proud the legislation incorporated language to provide the Forest Service with the tools necessary to immediately address the epidemic of oak decline and mortality in the Ozark Highlands of Arkansas and Missouri. Just as our Western forests are under constant threat from fire, our Eastern forests are under constant threat from insect and disease.

We cannot let any more time pass without ensuring that the Forest Service can quickly mitigate the effects of insect and disease damage throughout our forests before it reaches disaster proportion. The time has now come to implement these tools so that our forests, our rural economies and our environment can reap the benefit that we intended when we passed this legislation through Congress and that future generations can continue to enjoy the wonderful heritage that we have in this great land.

Thank you, Mr. Chairman, for all of your hard work. I have a few questions for the panelists, and so, I appreciate very much your leadership on this issue.

Senator CRAPO. Well, thank you very much, Senator Lincoln, and I, too, want to commend you for your hard work on this legislation. It was our joint bill that became part of the ultimate vehicle that got to the President's desk, and I appreciated the opportunity to work with you, and it was that bipartisan effort that pushed this across the goal line.

Senator Baucus.

STATEMENT OF HON. MAX BAUCUS, A U.S. SENATOR FROM MONTANA

Senator BAUCUS. Thank you, Mr. Chairman.

I appreciate especially your calling this hearing, because I believe that follow-up and accountability and oversight is so very important. I know you and others have worked very hard to make this happen.

Mr. Chairman, I believe strongly in what the Healthy Forest bill was supposed to do. It was supposed to give the Forest Service better tools to address the build-up of hazardous fuels in our forests. It was supposed to help the Forest Service protect homes and communities from catastrophic wildfires. I am still confident that this is what we accomplished, but I am concerned that we are a very long way from accomplishing our goal.

Where are we today in implementing the Healthy Forest bill? I am very interested in hearing how the witnesses address this, because I have had great difficulty in tracking down specific information on how the Act is being implemented. How many acres have been treated under the authority of the Healthy Forest Act and where? How much money has been spent to implement the Healthy Forest Act? Is implementation going smoothly, or is it not?

I was quite surprised when I learned that the Forest Service is not tracking or does not have available data on whether fuels reduction projects are being done under the authority of the Healthy Forest Act or under other authorities like a categorical exclusion or stewardship contract.

It is a bit difficult for me to sit here and have a conversation with our witnesses when the Forest Service does not even know where, when and how its people are using the agency's new authority. I hope the witnesses prove me wrong, though, and can provide me with the specific data I am looking for.

Last year, this bill was an imperative for the Forest Service, because we faced dangerous conditions in some areas of our National Forests due to population growth, drought, high fuel loads and other factors. The Forest Service told us they needed expedited authority to go in and thin areas suffering from insect infestation and disease, where fuel loadings were particularly higher near homes and watersheds.

I and my colleagues agreed. We worked very hard working together on a bipartisan basis. We wanted to help the Forest Service protect our communities, protect our watersheds, reduce wildfire fighting costs and improve the overall health condition of our forests. We worked hard. We forged a compromise under the leadership of Senator Crapo and others to help make this happen.

Yet while there has been a slight increase in the number of acres treated for fuels reduction in fiscal 2004 as compared with fiscal 2003; that is in my State of Montana, the number of acres treated is still very low. The total number of acres treated so far this year in Montana is about 44,000. Of that 44,000, more than 30,000 were treated with prescribed fire, only about 12,000 treated mechanically through thinning or other treatments. That is for all nine National Forests in the State of Montana.

In the Flathead, the scene of severe forest fires over the past few years, exactly zero acres were treated mechanically during this fiscal year, and only 250 acres were treated with prescribed burns. The Forest Service has the authority under the Healthy Forest bill to treat up to 20 million acres of high priority, at risk National Forest lands. $750 million new dollars were authorized to help pay for this.

I am concerned about the progress and how the money is spent. I do understand there will be growing pains. Maybe I am missing something here, but this strikes me as part of a larger pattern of behavior at the Forest Service that has me very concerned. Given the urgency with which the Forest Service promoted Healthy Forest legislation last year, going so far as to tell us that even a 60–day delay for appeals and public comment between approval of a project and implementation could spell disaster for threatened communities, I am quite surprised that the agency has not hit the

ground at full speed and has thrown all of its considerable expertise at aggressively using the Act to protect such threatened communities.

Let me quote from a letter I received on June 15 of this year from a small mill timber task force member in the State of Montana. Quote, it has been over 1 year since our small mill task force met with you—that is, me—in Billings to discuss our needs for a sustainable Forest Service timber sale program in order for our businesses to survive. Now, one year later, we feel is an appropriate time to provide an update as to the status of our task force efforts to secure this necessary timber volume.

As the volume report shows, the results to date have been extremely disappointing. Not only has industry worked with the Forest Service to help secure additional funding and political support for their timber sale program, but the agency was also provided with a whole new toolbox full of new tools with which to work in December 2003 with the passage of the Healthy Forest Restoration Act.

It is not a good indication of progress that we are two-thirds of the way through fiscal 2004, and the Forest Service has sold only 17 percent of their target sales volume; the availability of Forest Service saw log volume to support the eight remaining independent sawmills in Montana is less today than 1 year ago.

Mr. Chairman, I have a long statement here. There are many more pages, and I am not going to give it all, but I will summarize by saying that I am disappointed based upon what I know thusfar. I do not think the Forest Service has done a very good job. There is something wrong up there. I do not know what it is, whether it is management, whether it is dollars or whether it is lack of mission, guidance.

I do not know what it is, but they are not getting the job done that we all thought was going to get done, and I would just like to, as I said, find out why and what we can do about it, because after all, these are taxpayers' dollars we are talking about here. These are people in our States who are really very concerned about fires and the need for Healthy Forest legislation to pass, and it is up to all of us to make sure that what did pass is what people expected to pass and the results are what people expected.

Thank you, Mr. Chairman.

Senator CRAPO. Thank you, Senator Baucus.

Senator Talent.

STATEMENT OF HON. JAMES TALENT, A U.S. SENATOR FROM MISSOURI

Senator TALENT. Thanks, Mr. Chairman.

I appreciate the hearing being held. Just very briefly, we have 14 million acres of forest land in Missouri, most in the Mark Twain. The red oak borer is a major problem. Ms. Lincoln probably referred to it in her statement, and I was very pleased that Title IV of the legislation allows accelerated plans in dealing with these kinds of pests, and I am interested in knowing what we are doing to use that as expeditiously as possible.

I have another hearing in Armed Services, and Senator Danforth's nomination is coming up on the floor, so I am not going to be able to stay.

Senator CRAPO. As a matter of fact, I suspect that the panelists would—let me just say, I am going to guess that there will be questions that you will get from us following the hearing as well, and we would like to ask all of the panelists to be prepared to respond to any questions that we may send you other than those that we discuss with you here during the hearing.

We will proceed to the questions now at this point, and as I am sure is the case with all of the Senators here, I have a number of questions myself. We will go through a number of 5 minute rounds until we get them all taken care of.

Mr. Rey, I first have a question that actually does not deal directly with the Healthy Forest Act, but there are some issues that are particularly pressing right now as we approach fire season or are actually in fire season in many areas, and that is that I understand that with respect to forest fires, the Forest Service's initial attack success this year has even exceeded last year's.

Given the current situation with the heavy tankers, that surprises me. Can you explain the situation?

Mr. REY. As we stood down the heavy tanker fleet for safety reasons following the report of the National Transportation Safety Board, we immediately moved to reconfigure our aviation fleet to replace the lost capacity from the heavy tankers, and we have completed that reconfiguration with the addition of 139 different aircraft: heavy helicopters, medium and light lift helicopters as well as a larger component of single-engine tankers.

The objective of the reconfiguration of the fleet was to continue to match the success we have had at initial attack at extinguishing fires at initial attack. So far, in Forest Service Region III, which is Arizona and New Mexico, where the fire season is at its peak right now, so far this year, our initial attack success exceeds our initial attack success year-to-date last year in Arizona and New Mexico.

We feel very good about what we have been able to achieve through replacement aircraft. At the same time, as the contractors of the heavy tankers have indicated that they felt that the National Transportation Safety Board study unfairly impugned the safety of their aircraft, we have offered them the opportunity, working with the Federal Aviation Administration, to see if we can certify their aircraft as airworthy. That effort is underway with the FAA, and we will move to complete that hopefully early next month, and if some of the heavy tankers can be certified as airworthy, we will put them back into service, because they are a more cost-effective asset, and then, we will stand down some of the replacement aircraft that we have contracted for to use otherwise.

Either way, we feel confident that we will maintain a 98 plus percent rate of success on extinguishing fires on initial attack.

Senator CRAPO. All right; thank you very much. I appreciate that. Now, I want to move to the Healthy Forest Act. Actually, this question can be answered by either or both of you, but in both of your testimony, you talked about your success to this point in meeting your targets and exceeding your targets. Could you cor-

relate those numbers, the targets that you have set and your accomplishments to date and relate them to the authority in the act?

What I am getting at is in the act, we authorized treatment of 20 million acres. We did not specifically set a time limit on that. Theoretically, you could do 20 million acres in 1 year if you were successful, if I understand the way we drafted the act. How are we in terms of getting toward that 20 million acres? I ask that in the context of the fact that we have 190 million acres at risk.

This act was really a first step. I almost consider it to be a pilot project to show how, if we can get these authorities in place and get successes on this 20 million acres, then, maybe we could expand these authorities to the other acreages.

Could you relate to where we are on the 20 million acres in the context of your targets?

Mr. REY. Sure. We will at year end distinguish between projects that were conducted under the authority of the Healthy Forest Restoration Act and projects that were conducted under other administrative authorities or part of the Healthy Forest Initiative, and we will have to make that data split, because we have to account for what our progress is against that 20 million acres.

Right now, I would say that the majority of acres treated to date have been acres treated under the authority of the Healthy Forest Initiative with relatively fewer projects under the Healthy Forest Restoration Act authorities. There will be HFRA projects complete by the end of this year.

Our rate of progress has to be evaluated in a broader perspective. I have read popular media coverage around the passage of the Healthy Forest Restoration Act where people were saying good, Congress passed a law. There are not going to be any more forest fires.

Well, we know that is not true. I have read other coverage that said good, Congress passed a law. Now, within a fairly short period of time, we will deal with the fuels treatment problem. Unfortunately, that is not true, either. We have 190 million acres at risk. This is a problem that has been developing for decades. We did not get into it overnight; we are not going to get out of it overnight.

Of that 190 million acres, we believe that roughly 80 or 90 million represent priority treatments. They are areas that have to be treated to protect communities or to protect ecological values. Last year, in fiscal year 2003, we treated 2.6 million acres. That was the highest level ever to that time. That is more than double the amount of acres that were treated in 2000.

In 3 years, we doubled the size of this program. This year, as I indicated earlier, at the end of the year, we will hit about 4 million acres total, almost doubling it again, and we will hit that level, slightly higher, in 2005, doubling it twice within a 4–year span.

Unfortunately, we are probably going to have to double the size of the program again to get to an average program of 8 million acres a year, and when we get to that point, then, we will be at a level where within a decade, we will have this problem solved, but that is what it is going to take.

It is not a problem that is going to be solved in one or 2 years; it is going to be a problem that is going to take 10 or 11 years to

resolve, because if you are at 8 million acres a year, by 11 years out, you have 90 million acres worth of treatments completed.

Senator CRAPO. Thank you.

My time has expired, but Mr. Calvert, if you want to respond.

Mr. CALVERT. I would just elaborate briefly on that to help understand the time line. As you know, our project lists that we put together for fuels reduction are developed with the State foresters and communities and done pursuant the Strategic Implementation Plan of the National Fire Plan. The 2004 project list was developed and approved in the spring of 2003.

NEPA work was either underway or completed by December 2003 for those projects, so the majority of the 2004 project list was already underway for its environmental planning when the Healthy Forest Restoration Act was passed. We are looking forward to using the Healthy Forest Restoration Act NEPA tools in our 2005 project list, and that is at least for the Bureau of Land Management, we plan to use that for about 170 of the projects for the next fiscal year.

We will just leave it at that.

Senator CRAPO. All right; thank you very much.

I did not see which of the two of you came in first. Senator Lincoln, you are next.

Senator LINCOLN. Thank you. Everybody knows, chivalry is not dead in the U.S. Senate.

Gentlemen, we have worked desperately on this bill and in theory feel that we have produced something that is a good tool. We know that a tool is not good unless it is something that can be used in the field that actually gets the results that we aim for. Obviously, that is why we are here today.

Mr. Rey, you know from the work that we have done on the Healthy Forest Act as well as your recent trips to Arkansas where my concerns have always centered, and that is around the insect damage that is devastating the forests in Arkansas. I guess my question is what are the tools here that we have given you that you feel like have made a measurable difference in helping you or helping the forest managers begin the process of dealing with this infestation? What are the best tools, what are the ones that exist that are not as productive as we had hoped, and why? Why are they not? Is it resources? What is our problem there?

Mr. REY. Well, I do not think that any of the tools that you have provided are unproductive. There is nothing in our experience in the first 6 months of implementation so far that we are prepared to come back to you and ask you to change.

With regard to the work that we need to do on the Ozark-St. Francis and on the Ouachita National Forests and on national forests throughout the south to deal with insect and disease infestations, the two most useful tools that we found and utilized are the Title IV Accelerated Research Projects, two of which we announced 2 weeks ago in Little Rock and also the Stewardship Contracting Authority, which we also announced in Little Rock, a stewardship contract that we are doing with the Nature Conservancy on the Arkansas National Forests.

For insects and disease specifically, those two tools are going to prove the most useful. I imagine as we get further along, we are

going to find that we will do some work related to insects and diseases using the Title I authority. Outside of the Healthy Forest Restoration Act but as part of the Healthy Forest Initiative, we have done a lot of insect disease and sanitation work using the categorical exclusions that we developed a year ago this past May.

Senator LINCOLN. Well, definitely, we felt like the categorical exclusions and exemptions would be helpful in accelerating some of the things that we wanted to see happen.

I guess my question, and again, my attitude in what we do here is that legislation is not a work of art; it is a work in progress, and that is why it is so important for us to have these types of hearings to understand better what we have given you in terms of tools and what works and what does not.

Some of the concerns that we have had is the ASQ that we have as well in our forests and why we are not meeting those ASQs.

Mr. REY. The ASQ stands for allowable sales quantity, which is a measure of how much commercial timber that a forest can produce while still meeting other land management objectives. I would say that there are a number of reasons why some forests are falling short of their allowable sale quantity. Probably the most significant is just the time and effort it takes to produce a commercial timber sale. Senator Baucus noted that so far, the National Forests in Montana have met only 17 percent of their timber sale target this year.

That is a little bit deceiving, because typically, the majority of our commercial timber sale offerings are produced in the last quarter of the fiscal year, so I do not know that they will get to 100 percent, but I know they are going to be a lot higher than 17 percent——

Senator LINCOLN. Why is that?

Mr. REY [continuing]. At year's end.

Simply because it takes that much time to get the paperwork done to produce the sale and to put it through the public comment period and the appeals process, and usually, we end up bunched up at the end of the year. We are trying to level that a bit, because a lot of our timber purchasers would like to have a more even flow of timber during the course of the year, and that is one of the objectives.

That is, however, I would clarify a somewhat different program than the Healthy Forest program. There is some measure of commercial timber coming off the land as a result of these fuels treatment projects, but the allowable sale quantity and the commercial timber sale program are supposed to be and are measured separately. I would say we are doing better on our fuels treatment work right now proportionately than we are on the commercial timber sales program.

Senator LINCOLN. I guess my question is is does one take away from the other? Certainly, we can do both of these activities at the same time through the Forest Service and that's what we have seen with the allowable sale quantity in Arkansas is that in previous years, we have met some of those ASQs, and for this year and I guess last year, we have not been able to meet those.

Our objective is to be able to do all of the tasks that we have in different agencies, and we want to make sure and we want to

know that if one is distracting from the other, that is an important thing for us to know and to figure out how we remedy.

Mr. REY. It is not supposed to.

Senator LINCOLN. Right.

Mr. REY. One is not supposed to substitute for or distract from the other. One of our challenges at year-end will be to look back across this year, the first year with the Healthy Forest Restoration Act and the first full year with the Healthy Forest Initiative tools and evaluate whether in fact there was a diversion of effort from one program to the other, and if there is, then, we will have to take steps to avoid that.

Senator LINCOLN. Well, the hope is that they would complement one another, and if we can implement them in that way, we hope that that will happen.

Mr. Chairman, I have other questions, but I will submit them. Thank you very much.

Senator CRAPO. We will also have additional rounds. We will try to stick to 5 minutes each round, but we will do as many rounds as we can do.

Senator BAUCUS. Thank you, Mr. Chairman.

Mr. Secretary, I am speaking more out of a sense of constructive comments, because we all want the Forest Service to do a good job. We have a special sympathy and almost reverence for the Forest Service in my State because, after all, we have so much National Forest Service land in Montana, and Region I is headquartered in Missoula, Montana. I have known many Forest Service personnel, some retired, who are just wonderful people. They care about their jobs and care about the land and have done just an absolutely terrific job.

I have to be honest in saying over the years, I just do not sense the same kind of caliber and focus on mission. A few years ago, I walked around the Forest Service, just went to the Region I headquarters just to find out what I could. I found a very low morale, a very low morale because there is no—they did not know what their mission was. It was just changing all the time. They just did not know what they were supposed to be doing.

Now, that may have changed a bit now; I do not know. That admittedly was several years ago. Hopefully, that has changed. Over the years, I have just had a devil of a time with the Forest Service trying to get them to do something. It is like a huge bureaucracy, like punching a mattress; thud, nothing happens. I have been doing this for years and years and years.

I said I was not going to complete my statement; I am not going to ask any questions, so I am going to complete my statement in the time I have allotted just to give you a sense of some of the problems that we have encountered with a view toward trying to solve them. These are not helpful, that is, these problems. I hope people are going to be helpful, but it is certainly not helping a lot of people.

For example, I recently learned that the Forest Service is spending a considerable amount of time and money to reorganize. This reorganization, I have learned, will result in the loss of more than 30 jobs at the Forest Service office in Libby, Montana alone, and those are good, high-paid jobs, but they will be gone. The Forest

Service is spending a lot of time and energy reorganizing, which leads one to conclude, well, why are they not spending time and energy doing their job, their mission, whether it is categorical exclusions or whether it is Healthy Forest Act or whatever it might be.

These jobs eventually would move to yet to be determined call centers or service centers in some centralized location. This has not been noted in the public. This is something that we just found out, and the county commissioners let us know. It is something the Forest Service has not broadcast very much at all. Seemingly, it is a little embarrassed about it.

I personally cannot see how gutting field offices, that is, people on the ground working with folks in the timber industry and the conservation community, that is, people on the front lines of managing our forest is going to improve customer service. I do not see the point of a call center. Who knows where? Bangladesh? I do not know where the call center is going to be. It does not seem to make a lot of sense.

I just don't see any cost-benefit analysis on this or any evaluation of how such reorganization is going to really enhance the agency's mission to help people on the ground.

Then, we have, as has been referred to, the Forest Service's recent decision to ground an entire heavy air tanker fleet, including Neptune in Missoula, Montana, in response to the NTSB's recommendation issued at the end of April of this year. I must say that even though NTSB's safety recommendation was directed at the entire firefighting fleet, entire fleet, all planes in the Forest Service to ensure safety, the Forest Service determined that it should just ground air tankers, one segment, not all, just one segment, air tankers, including responsible operators with no safety blemishes on their record, like Neptune, in Missoula, Montana.

Moreover, this decision was made after the fire season had already started and after operators like Neptune had already invested millions to prepare and after Neptune, for example, had purchased two new planes last fall at the request of the Forest Service.

I understand the NTSB's report was issued at the end of April. The NTSB informs me that they were in constant contact with the Forest Service during preparation of their report and the recommendation, constant contact over the last 2 years with the Forest Service. The Forest Service knew what was coming, and that the Forest Service was very aware of what kind of recommendation the NTSB was going to make.

I agree 100 percent that the safety of pilots, crews and people on the ground should be our No. 1 concern. That is clear. I am also concerned about the abrupt nature of this decision and the unprofessional and shabby way that good, responsible operators like Neptune that have served Montana and the Nation over the years have been treated.

Neither Neptune nor the type of plane that Neptune operates were the subject of the NTSB investigation that led to the NTSB safety recommendation on April 23. I ask, would it have been so difficult to evaluate the safety and airworthiness of air tankers like Neptune prior to the canceling of their contracts rather than more than a month later, as these companies ran out of operating capital

and were faced with laying off their employees and closing their doors?

Neptune provides nearly 100 good-paying jobs in Missoula. To date, I have not received an adequate response or explanation from the Forest Service outlining their decision. I have spent a lot of time on this, as you well know. I have talked to you one or two times. I have talked to the chief. I have talked to lots of people about this, trying to straighten this out. So far, I have received virtually no response of any value.

I am going to hand-deliver a letter to Chief Bosworth in about 15 minutes this morning with my unanswered questions clearly listed, and I hope that this time, we finally can get some answers.

The Forest Service also will spend upwards of $40 million this year in an attempt to replace the capacity and function of the heavy air tanker fleet. Now, you have mentioned—you were referring to tankers; you did not mention how much more costly that is going to be. It is my understanding, is it about $40 million that it is going to cost. That is the transfer.

I am asking where is the money going to come from? I have been told that because the air tanker fleet is grounded, in addition, helicopter logging operations are stranded for lack of helicopters. There are several folks in Montana who have decked out their timber, but they cannot get helicopters now, and their concern is because of this.

In addition, I might point out that I have recently come across a June 2, 2004, General Accounting Office report that outlines the damage being done to the Forest Service programs by the repeated practice of borrowing from other accounts to pay for fire suppression costs and then failing to adequately reimburse those programs, even though money is returned to the agency by the Congress.

Every time we in Congress attempt to assist the agency with a long-term solution, our efforts are shot down by officials at OMB or others in the Forest Service, and this practice of borrowing from other accounts to pay for fire suppression has had a direct impact on my State, resulting in delayed and canceled contracts, deferred post-fire rehabilitation and generally undermining core Forest Service programs.

For example, the June 2 GAO report specifically referred to an example in the Bitterroot National Forest in my State, where $1.2 million needed to stabilize a road was transferred to pay for fire costs. OK; there was a fire. Two years later, the project received only $430,000, less than half of what it had originally been allocated, even though Congress had reimbursed the Forest Service for at least 80 percent of its additional expenditures to fight fires.

The road is still collapsing. Sediment continues to run into a nearby stream, degrading fish habitat.

Finally, I have been pushing the Forest Service for years to reinstate a categorical exclusion for small timber sales that have a negligible environmental impact. The Service finally issued several new categorical exclusions for various purposes, including small timber sales of different types last year. I have recently been informed that the Forest Service has completed precisely one project in Region I in this fiscal year using this categorical exclusion, only

one. That is totally unacceptable. This useful Forest Service tool is rusting in the agency's tool kit along with many others.

I hope you are seeing the same pattern here that I am; that is, the cumulative impacts of many actions and decisions by the Forest Service that are having a direct negative effect on the economy and health of my State, and I would guess it is probably occurring in other States, and frankly, I have about had it.

I want to believe in the Forest Service. My default view is they are a good agency. They are a good resource agency. I have to tell you, Mr. Secretary, that I have also got to look at the facts, look at the evidence, and over time, I see bureaucratic lethargy. I see a sclerosis in the Forest Service. I don't see them performing their job. I see a lot of obfuscation. I see a lot of double talk.

I don't get direct straight talk and answers. I have had it, frankly, I have had it. I am not one to let things go by the wayside. We are going to do something about this, and the far better way to do something about this is for the agency to shape up and do what it is supposed to be doing.

I am sure that you have some answers to some of the points I have made, but I am also sure that those are only partial answers. They are not answers that are going to get to the core of the problem. For example, you mentioned just recently how well you are doing on the attack response—I forgot what the phrase is—but the fact is that that is not a very fair statement. It is a misleading statement. Why? Because most of the fires last year in the area of the country that you talked about were man-made. There are virtually no man-made fires so far this year. Anyway, I have that straight.

The number of man-made fires is way down this year, which means that the severity of fires is lower, and so, you are comparing apples with oranges when you are trying to compare your initial attack success this year with prior years. It is just not a fair comparison.

I am not here to create an argument. I know you have your points, and I deeply regret; this is very unfair that I have to go talk to the chief now, so I cannot stay here and answer all of your questions, but I hope you get the import and the tone of what I am trying to say, which is constructive.

I am not trying to badger you for the sake of badgering. I am trying to ask tough questions for the sake of getting good results for the people of our State and our country.

Mr. REY. I will spit out as many answers as I can before you have to leave.

Senator BAUCUS. Well, we can always have another meeting. I invite you to come to my office.

Mr. REY. OK; let us do that.

Senator BAUCUS. After the recess and with straight answers, not a bunch of stuff.

Mr. REY. Let us do that.

Let me just start with morale, because what I would invite you to do is to walk through the Region I office in Missoula today, because you are going to find a lot more motivated and a lot more excited people——

Senator BAUCUS. I will do that. I will be in Missoula this next week, and I will do that.

Mr. REY [continuing]. Led by a brand new regional forester who is one of our most talented people.

In late January, all of our forest supervisors met to talk about the implementation of the Healthy Forest Restoration Act, and the charge I left with them was the success in implementing this act is what is going to measure their success during their professional tenure. They are going to be judged on the basis of how well they do in implementing this act.

After I left, all 153 or so of the forest supervisors signed a pledge to meet or exceed their fuels reduction targets, which is the path that they are on this year. We are at roughly 90 percent achievement so far this fiscal year with a quarter left. With regard to reorganization, the principal reorganization effort we have underway is to reorganize our financial systems to bring them up to 21st Century financial systems so that we can continue to achieve clean audits.

We have had two clean audits, the first two in the Forest Service's history each of the last two fiscal years. Consolidating that financial accounting function will save the agency about $50 million a year, money that can then be used for on the ground work.

Senator BAUCUS. This is not a good way to run a railroad, Mr. Secretary. I do apologize. I do not think you want me to keep your boss waiting.

Mr. REY. OK.

Senator BAUCUS. I was supposed to meet with him 20 minutes ago, and he has to leave at 11. You want me to go meet with your boss. That is my guess. If that is incorrect, I would like for you to tell me.

Mr. REY. Well, the only thing that is inaccurate is that I am actually his boss but——

[Laughter.]

Mr. REY [continuing]. I would prefer——

Senator BAUCUS. Well, that is all right. You are right.

[Laughter.]

Mr. REY. I would prefer that you meet with the Chief, and he can continue to respond.

Senator BAUCUS. Do you want me to meet with the Chief?

Mr. REY. Yes.

Senator BAUCUS. Thank you. I apologize.

Mr. REY. We will talk again.

Senator BAUCUS. I do apologize.

Senator CRAPO. Thank you very much.

We have been joined now by our Chairman, Chairman Cochran. Senator would you like to make an opening statement?

STATEMENT OF HON. THAD COCHRAN, A U.S. SENATOR FROM MISSISSIPPI, CHAIRMAN, COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Senator CHAFEE. Mr. Chairman, thank you. I appreciate your conducting the hearing. The Subcommittee is very interested to find out how we are succeeding and moving toward implementation of the Healthy Forest Initiative. We appreciate the leadership Sec-

retary Rey has shown and others in the administration, Secretary Veneman as well. We thank you for your hard work and your efforts to help make sure this legislation turns out to be successful in practice, as it is in theory.

We look forward to working with you and trying also to help make sure that we get the funds appropriated so that you can carry out the responsibilities under this act to the fullest extent possible.

Thank you, Mr. Chairman.

Senator CRAPO. Thank you very much, Mr. Chairman.

The Chairman points out a very important point, and there is a lot of concern about the shifting around of funds in the budget and so forth, but that a big part of the responsibility there lays right here in Congress with the way that we have been forcing the agency to deal with these funding shortfalls in fighting fires as well as with OMB and some of the other more global budgeting issues that we have here in Washington, and we need to pay attention to that as well.

Senator Cochran, would you like to ask questions at this point?

Senator CHAFEE. Mr. Chairman, I have a statement that I would like to have printed in the record, and it touches on some of the issues that we need to address, but I know you have other panels of witnesses, and I do not want to unnecessarily delay them, since one of them is from my State.

Senator CRAPO. Well, I have a few more questions of this panel. Let me just go back to a couple of my questions, and I will keep them brief.

I actually have a bunch of questions, and I will just ask a few of them and then submit the others and see if you can respond to those in writing after the hearing.

One of the questions that I had followed up on my first series of questions. My first series, if you will recall, talked about the targets and the 20 million acres and where we are in that whole process. Then, Senator Lincoln, in her questioning, started getting into the area of commercial timber activity as well, and we realize that the Healthy Forest Act was focused on fuels treatment and on not on the commercial side of things but on the fuels treatment side of things, if I got the terminology correct there.

The question I have there is whether—well, I am referring to a portion of your testimony, Mr. Rey, toward the end where you talk about the fact that although we recognize that the Healthy Forest Initiative and the Healthy Forest Restoration authorities are helping to restore the forests and the ecosystems, we also need to recognize that much of the woody material removed is below merchantable size and is expensive to treat, and we need to get the public's understanding that it is OK to do mechanical treatment that removes merchantable trees.

It is my understanding that we can remove fuels commercially—in commercial activity, we can engage in management activities that in and of themselves are going to be helpful in terms of maintaining healthy forests and dealing with the companion objectives of fuels treatment and the like. Could you address that?

Mr. REY. Sure. The way we have tried to express this initiative and its relationship to the production of commercial materials is

the objective of the Healthy Forest Initiative and Healthy Forest Restoration products go to the kinds of forests we want to leave behind, so that we leave behind a healthy, resilient, fire-resistant forest where fire can play a natural role.

That is the primary objective. Now, in achieving that objective, some of the material that we are going to remove is going to be noncommercial; in fact, much of it, perhaps most of it is going to be noncommercial. Some of it is going to have commercial value. There are going to be big enough trees so that they could be put to some commercial use. It is our view as well that those uses ought to be achieved.

The wood ought to be used for commercial purposes, because the alternative is to waste it, which is the antithesis of conservation. The Healthy Forest Initiative will produce some amount of commercial material. It is not the primary objective of the initiative, but it is a result of the initiative, and that material will hopefully be put to good use in the form of sawn lumber or other wood products.

Senator CRAPO. I want to get into that in a minute, but the reverse is also true, is it not, that when we have purely commercial sales, those sales can be done in a way that will achieve the objectives of forest management and fuels reduction and protection against forest fire.

Mr. REY. Sure, and the design of commercial sales is such that we try to make sure that we do not increase fire risk or diminish the sustainability or the health of the forest.

Senator CRAPO. All right; like I say, I have a bunch of issues that I want to go through with you, but I am just going to talk about two more, and then, we will move on. The first one is that the way that the Act was written really focuses on public involvement. I just want to ask each of you first of all to recommit—to commit your understanding of that fact and the importance of engaging in the collaborative process that we contemplated in the Act and then maybe to indicate how you intend to make sure that we accomplish that objective of the Act.

Mr. CALVERT. Well at least for the Bureau of Land Management, the Forest Service had some experience with stewardship contracting. The BLM has recognized that there is a lack of uniform guidance among the field offices of how they should reach out to communities and involve communities in not only community protection plans but in a whole array of fuels reduction activities occurring on Federal lands outside of their WUIs.

The BLM is preparing some additional guidance that should be ready for review this summer, and we are engaged in a process of talking with field offices, trying to figure out what best practices are, looking for some models of successful collaboration. The agency is also reaching out to the tribes pretty aggressively and trying to work out a way to engage in interagency agreements with them to carry out fuels reduction projects.

Senator CRAPO. Thank you, Mr. Calvert.

Mr. REY. The thrust of what the Healthy Forest Restoration Act does is to set forth procedures that involve the public earlier in our decision-making processes in a way that encourages open dialog

and collaboration as opposed to what had become more commonly a later more adversarial process.

Consequently, as we are designing these projects, our field officers are working with people a lot earlier and working with them through the development of the process. The changed appeals regulations that apply to Healthy Forest Restoration Act projects frontload the public involvement that is associated with the projects as well, and then, last, there are provisions in the bill for collaborative monitoring or third-party monitoring by individuals who want to oversee how the effects of some of these projects play out on the ground, and we have started to develop some of those monitoring programs as well.

As Mr. Calvert indicated, the stewardship contracting process by its nature brings other people into the decisionmaking process because the contractors with whom we are contracting are in many cases not for profit organizations like the Nature Conservancy and other groups who have come forward to work with us in developing these stewardship contracts.

Senator CRAPO. All right; thank you.

Actually, I do have two more questions, not just one more. The first one is more of just a quick one. It can be a real quick response, and that is I have been advised from the Forest Service supervisors and regional foresters that my office has been in contact with that they are very pleased with the Healthy Forest Act authority, and one of the real bright spots is the potential to get past the litigation, which you will recall was one of the big debate points as we debated the Act.

Have we seen that playing out? Are we able to see already results there of the streamlining that we were seeking to achieve?

Mr. REY. Yes, but I do not think we have enough data to quantify that for you.

There are examples throughout the system where we have worked with local environmental groups to design projects using the procedures under this Act where the projects might otherwise have been appealed and litigated and were not appealed and litigated. I have numerous examples anecdotally from our forest supervisors and regional foresters.

As we get a little further into this and we compile statistics on appeals and litigation and compare these projects to other agency projects, we will have a better sense of what the quantitative difference is, but qualitatively there has been a difference in the dialog and somewhat less litigation and appeals on these projects.

I would also note that our Department of Justice and Office of General Counsel are on a winning streak right now, and they have won a fair number of lawsuits, and maybe that is having some effect as well.

Senator CRAPO. Good.

Then, last question here is you have provided—I cannot remember which one of you provided this.

Mr. REY. That would be from us.

Senator CRAPO. The Forest Service. These are some of the products that are coming off of the thinning that we are doing for our fuels management, and they are very creative products. I will share those with our Chairman to look at as well. I could have brought

some from my office–if I had known you were bringing some–that some folks in Idaho have shown me that they are making.

This is a very important part of what we are talking about here, because as we try to make the commercial aspect of the thinning viable, as we try to develop these different approaches to what we do with the biomass once we go in and thin the forests, it is very critical to make sure that these kinds of products or whatever else can come out of it are utilized and that industries can develop around them.

Frankly, the experience that we have seen so far with the Idaho companies that have been trying to do this has been frustrating, primarily because it is difficult, often—in a lot of these cases, the products are designed for reuse in the forest or for use in some other aspect of Federal contracting, and we do not seem—I know there is an Executive Order on this, but we do not seem to be able to get the Federal contracting authorities focused on changing their rules or procedures or whatever it is to start utilizing these types of products, and I would just like to ask both of you to talk about whether you understand this issue and what we can do to get past this point.

We have companies that are willing to do some really creative things with these products, with this material, this biomass material, but once they do it, they just cannot seem to get broken through into the Federal contracting system for that part of the issue.

Mr. REY. That is a problem that the Congress addressed in the 2002 Farm bill legislation with a responsibility that was assigned to the Department of Agriculture to develop a Government-wide set of bio-based procurement regulations. Those regulations are either out for public comment now or soon to be out for public comment, and that will be a fairly long and complicated rulemaking, because every agency will have its own views, every Department will have its own views about what we are suggesting by way of procedures for bio-based procurement.

I am not personally involved in that effort, but if you want, I can ask Keith Collins, the Department's chief economist, who is actually leading the Department's rule writing team, to contact your office and give you a more detailed briefing on where they are with the regulations. It is a problem, one that the Congress identified, one that we are responding to.

Senator CRAPO. I would appreciate that, if you would have him contact my office, because first, there was an Executive Order on this, and then, you are right: you reminded me that we put it into law in the Farm bill, and I still do not see it happening. I hope that those that are working on those regs will put somewhere in those regs in bold that we really mean it and that we intend to see this approach work.

Anyway, I appreciate that, and I would appreciate your passing that message along to them.

Last comment, and then, we will excuse this panel: Mr. Rey, I know that as a result of the timing and Senator Baucus having to leave, you were unable to respond, as I am sure you would have liked to have had the opportunity to do so. I know that you will have an opportunity to meet with Senator Baucus personally, but

if you would like to prepare a response to any of the issues that he raised and have that be made a part of the record, I would be glad to allow that to be put into the record.

Mr. REY. That would be fine, or I will just meet with the Senator separately.

The only thing I wanted to clarify on initial attack suppression numbers, I was using all fires, and I do not think there is a distinction between man-caused or naturally caused fires, but in the two States that are in the peak of the fire season right now, the fact is we are having more ignitions this year, and we are having more success on initial attack than we did last year.

Senator CRAPO. All right; thank you very much, and I would like to thank both of you for your time and attention to these issues and frankly for your work in helping this Act be effective.

Mr. REY. Thank you.

Senator CRAPO. Thank you very much.

Senator CRAPO. We will excuse our first panel, and we will move now to our second panel. While our second panel is coming forward, I will introduce them. Our second panel is made up of Mr. James L. Sledge, our state forester from the Mississippi Forestry Commission, representing the National Association of State Foresters; also, the Hon. Robert Cope, Commissioner for Lemhi County in Idaho, representing the National Association of Counties; and Carol Daly, President of the Communities Committee of the Seventh American Forest Congress. She is from Montana, representing the Society of American Foresters and the Communities Committee.

I would like to remind our witnesses to try to pay attention to that little clock right there, because we tend to get way out of time if we do not do that, and we will start out in the order that I introduced you. Mr. Sledge, you may begin.

STATEMENT OF JAMES L. SLEDGE, JR., STATE FORESTER, MISSISSIPPI FORESTRY COMMISSION, JACKSON, MISSISSIPPI, REPRESENTING THE NATIONAL ASSOCIATION OF STATE FORESTERS

Mr. SLEDGE. Thank you very much. I will try to stay within the time. My only problem is I do not speak very fast, so it may seem like I have talked longer than I have.

We appreciate the opportunity to testify before the Subcommittee, and I have to make one small side comment: among the people listed to testify today, there are three of us from Mississippi State University.

Senator CRAPO. Duly noted.

Mr. SLEDGE. State foresters manage and protect State and private forests which make up two thirds of the nation's forests. The six titles of this Act will help improve forest health on all forest land ownership, and we appreciate your work to enact such important legislation. While the most obvious work to date has been devoted to implementing Title I, NASF has worked with our Forest Service partners to draft implementing guidelines for Watershed Forestry Assistance Act Title III.

We urge Congress to fund this and other Healthy Forest Assistance Act in the 2005 appropriations bill. In my written statement, I briefly summarize the relationship the Healthy Forest Act to the

10–year strategy for the National Forest Service Plan. We must ensure that the Act continues and retains the focus on improving forest health nationwide on all land ownerships.

For Title I, NASF has recently worked with several partners, including a witness on our next panel, to develop guidance for preparing the Community Wildfire Protection Plans. The Western and Southern Governors Associations have also endorsed this effort. I would like to submit a copy of the guide that was developed for this for the record.

Mr. SLEDGE. We designed the guide to help communities prepare plans authorized by the Act. Our goal is that it can be used by all communities facing wildfire risks regardless of their proximity to Federal lands.

We are working with the communities in our State to identify and prioritize actions needed to reduce hazardous fuels and improve community safety. In my written testimony highlights some of the activities in Idaho and Minnesota as two examples of the work that is underway. As we implement fuel reduction activities under Title I, we will make important progress toward reducing fire risks for communities and the surrounding forest lands.

With millions of acres at moderate to high risk of catastrophic fires, it will take many years to carry out the needed treatments, and because we are dealing with living ecosystems, that change with time will require follow-up treatments and ongoing forest management activities we will continue to be needing.

In Mississippi this year, using the National Fire Plan, the Stevens Amendment, to treat 85,000 acres together with the State funds we already have applying to this, we should come close to our goal in Mississippi to prescribed-burn almost a half a million acres this year.

Wildfire prevention is also essential. Without a strong focus on prevention, funds invested in suppression and preparedness will be less effective. Much of our prevention activity is devoted to the Firewise program, helping homeowners learn to make their properties more fire safe. We have one full-time and two part-time employees dedicated to Firewise in Mississippi, and we are able to focus on high hazard wildland urban interface areas. We are making a good progress in this effort.

We also have an effort underway to prevent the spread of the southern pine beetle in Mississippi. Tree mortality is a major factor in increased fire risk. Much of the work is being accomplished with State funds. These funds are becoming harder and harder to maintain. Our situation is not unique. States across the Nation are not able to implement Federal programs without Federal funding.

Title II through VI of the Healthy Forest will also help reduce hazardous fuel by providing needed tools for forest management. Over time, these programs will lead to improved forest health on all lands.

The Watershed Forestry Assistance Program, Title III, focuses on improving forested woodland watersheds, and it will be of great value to us in the South. NASF has been working with the Forest Service to develop implementation guidelines for this program.

I would like to remind you that two of the best tools to achieve the goals of the Healthy Forest Act were authorized in the 2002

Farm bill. These include the Community and Private Lands Fire Assistance Program and Forest Land Donor Enhancement Program. These programs need to be funded, and the future is uncertain, but we certainly encourage your help in continuing the programs.

We appreciate your support in the past, and we look forward to working with you to continue to ensure healthy forests in the nation.

Thank you.

[The prepared statement of Mr. Sledge can be found in the appendix on page 60.]

Senator CRAPO. Thank you very much, Mr. Sledge.

Mr. Cope.

STATEMENT OF ROBERT COPE, COMMISSIONER, LEMHI COUNTY, SALMON, IDAHO, REPRESENTING THE NATIONAL ASSOCIATION OF COUNTIES

Mr. COPE. Thank you very much, Mr. Chairman. I appreciate the opportunity to come back here. It is always a privilege to visit our national capital and sauna.

I officially represent the National Association of Counties here, but my area of expertise is central Idaho, so I will concentrate on that area. We in Lemhi County feel that we are head of the game and behind at the same time. We are ahead in that as you well know, the counties of Idaho began the process over a year ago of developing their own wildland fire mitigation plan. This that I have brought with me is Lemhi County's. This was done collaboratively and entirely locally with no Federal or State dollars. We did this on our own because we felt that outside entities coming in would not have the integral knowledge that our own citizens did.

There is a list almost a page long of cooperating agencies in local government, fire departments, fire marshals, the county commissioners, the two cities in the county, the BLM, the Forest Service. Everybody got together, and over a period of months, we sat down on a nightly basis once a month and talked things over, and this is what we came up with, and we feel that it is a good plan. We feel that we can make things work.

Unfortunately, my county is 92 percent Federal land, and what we can recommend, even collaboratively working with the Federal agencies is not necessarily what will happen, as you well know. Senator Baucus alluded to the problems in Western Montana. We are very much a part of that same boat. We live too close to Missoula, and there are a couple of organizations there, one of which has publicly stated that their objective is to appeal any Forest Service project that involves timber harvest under any guise.

Another group there has overtly said repeatedly that their mission is to put the Forest Service out of the timber business. We are too close to them. We are an obvious target. This comes up time after time. We have a community in northern Lemhi County that has been evacuated twice in the last 4 years. The Forest Service has proposed a fuel reduction project around that community. It has been appealed—I cannot remember if this is the second or third time.

It is pretty patently obvious to those of us in Central Idaho that fuel reduction in that area is a good idea, but there are forces from outside the area who do not seem to buy into that. Somehow, as Mark Rey said, we have to educate the citizens who may not live close enough to the forest to understand the peril that we face that these are necessary things to do and that the simple fact of the matter is that there is not enough money in the Federal budget anywhere to do all the work that needs done on the 190 acres of Forest Service land. It will take private sector investment; it will take timber sales, and it will take timber harvest.

The Healthy Forest Restoration Act and the Healthy Forest Initiative are excellent steps down the road toward recovery, but I spent enough years as a country veterinarian that I know that when you put enough critters in a pen and do not give them any water, they are going to get sick, and that is happening to our forests. We have too many trees. We have not enough water. The forests are dying. They are susceptible to disease. They are a biological organism, and they are susceptible to the same rules of health that animals are.

We see pine beetles in Idaho reaching epizootic proportions because the trees are stressed. They are not disease-resistant, and yet, we are unable to go in and remove the trees that are sick or dead. We are unable to thin the trees to allow the resistance to that disease, most of which is done through appeals and through litigation.

I believe there is also, as Senator Baucus said, probably a low morale within the Forest Service. That is probably true due to frustration on the parts of people who are resource oriented within the Forest Service who really want to do their job. There may also be frustration from other employees of the Forest Service who believe that their job is to act in a preservationist manner.

I personally have seen a division within Forest Service employees between people who really feel that the people who are appealing these sales are correct, and it should be a part, and those who think that it should be a managed, well-functioning organization. The fact is, however, that it is our belief as county officials that the forest should be managed by foresters and not by a judicial system and preservationist groups as we feel is happening now.

Every timber sale that has been proposed on the Salmon National Forest for 12 years has come under litigation and appeal. The result of which is we harvest almost nothing. Talking to Senator Crapo yesterday, I did discover that at the time that our sawmill was functioning, it would have required 15 to 20 million board feet a year to make its quota and to function as a good organization.

That saw mill today is closed. It has, however, been replaced by a small-diameter mill, two post and pole plants, a house log construction firm and a couple of independent sawyers. None of them have the material they need. They would probably require, best estimate, probably 10 to 15 million board feet annually.

By the 1987 National Forest plan for the Salmon Chalice, the allowable cut on that forest is 28 million board feet. We are lucky to make 100,000 a year. We are lucky right now in that we have the infrastructure to handle the product that needs to be removed

from our National Forest, but all of the entities that I named are currently in financial difficulty because they are having to import their raw material from Canada and from Montana, from the State forests.

Until the day comes that we can utilize the product that we have that we desperately need to remove, we are not going to get the job done. The Healthy Forest Restoration and Healthy Forest Initiative, as I say, are wonderful first steps, and they are definitely worthy of funding. They are not a panacea. They will take cooperation from all members of the community and from the local and State and Federal Governments.

Thank you.

[The prepared statement of Mr. Cope can be found in the appendix on page 65.]

Senator CRAPO. Thank you very much, Mr. Cope.

Ms. Daly.

STATEMENT OF CAROL DALY, PRESIDENT, COMMUNITIES COMMITTEE AND MEMBER, SOCIETY OF AMERICAN FORESTERS, COLUMBIA FALLS, MONTANA

Ms. DALY. Mr. Chairman and Mr. Chairman, I am here representing the Communities Committee and the Society of American Foresters, and thank you very much for the kind words that you said about the handbook on preparing community wildfire protection plans that we and our partners put together.

The creation of the protection plan should bring together all concerned stakeholders to collaboratively identify areas at risk of wildfire and develop an action plan for reducing those risks. Some clear benefits of that are that existing scientific information as well as local indigenous knowledge can be brought to the table. All participants learn more about the forests around them, while urban residents, WUI residents, find out what they need to do with their homes and their properties to lessen the risk of loss to wildfire.

The fuels treatment priorities for both Federal and non-Federal lands are set only after an open and inclusive community discussion of the options. The action strategy covers all land ownerships, public and private. Finally, a multi-party monitoring process should ensure that the effects of the plan's implementation are carefully evaluated and needed improvements identified.

Collaborative planning is the heart of the community wildfire protection planning process. Yet in this, as in other recent forest-related legislation, mandates for collaboration are not backed up with appropriate financial and technical support. Many local governments, fire departments and State forestry agencies, the decisionmakers in the process, generally have little or no experience in collaborative processes.

It therefore falls to community-based forestry groups and other non-governmental bodies to organize and facilitate the collaboration. Lacking Healthy Forest or other Federal support for that, we have to turn to private foundations and other sources for funding, and frankly, these days, they are not willing to give it. They see that as a Government responsibility, not as a private sector responsibility to implement a Government program.

As critical as collaboration is to the success of Healthy Forests, it can no longer be left as an unfunded mandate. Without Federal seed money to help communities get started, community wildfire protection plans will not happen in many places. Dr. Cope's was an exception.

Without having community wildfire protection plans, many of the central features of healthy forests will not be used. We are really pleased to hear that the House has set aside $5 million in the 2005 Interior approps bill to cost-share wildfire planning with communities and we urge the Senate to do likewise.

We need to target particular attention to poorer or lower-capacity communities, those that lack adequate technical or financial resources. Otherwise, they face a double-barreled threat. They are more vulnerable to wildfire losses without a plan and a strategy that they are implementing, and should they have a severe wildfire, they have less capability to recover from it.

Overreliance on the stewardship contracting mechanism to fund Healthy Forest projects should be avoided. While some hazardous fuels treatment activities will yield saleable products whose value can be captured to cover all or a part the reduction of hazardous materials, many will not.

Until more or larger markets are created for what are now low or no-value products, adequate direct funding for HEFR projects is essential. The increase in hazardous fuels reduction contracting opportunities arising from Healthy Forests and the National Fire Plan has led new contractors to enter the field and many existing contractors to refocus their operations and invest in new equipment suited to this market niche.

On public lands projects, the transition has not always gone smoothly. Cruising, bonding and contracting processes that may have worked well on conventional timber sales must be revisited in terms of Healthy Forests. Healthy Forests directs the Forest Service and BLM to establish a collaborative, multiparty monitoring process where significant interest is expressed. Monitoring can be an important factor in proving the value of Healthy Forests and allaying reservations about its intent and impact.

The joint Forest Service-BLM interim field guide provides that multiparty monitoring will be subject to available funding and the ability of stakeholders to contribute funds or in-kind services. The Wild Land Fire Leadership Council's proposed monitoring protocol goes even further and requires that stakeholders wishing to participate have, quote, appropriate skills and knowledge for monitoring and, quote, be willing to share costs. Such requirements could be used to limit or discourage multiparty participation, defeating the purpose of this important provision of Healthy Forests.

The Healthy Forest Restoration Act is still very much a work in progress, as Senator Lincoln said earlier, and it will take leadership and commitment to make it a success. We urge that adequate time and support be given to allow for a full, fair exploration of its potential.

The Healthy Forest Restoration Act is creating a comprehensive approach to addressing our forests across ownerships, within watersheds and ecosystems, and that is something that we will probably need to look at in addition, not just in fire-prone forests.

Both the Communities Committee and the Society of American Foresters would be very happy to work with Congress, the Forest Service, BLM and any others to help the issues we have raised today.

Thank you.

[The prepared statement of Ms. Daly can be found in the appendix on page 82.]

Senator CRAPO. Thank you very much, Ms. Daly. I want to give my thanks to the entire panel for really outstanding testimony.

If Senator Cochran, if you would like to go first, I would be glad to defer to you.

The CHAIRMAN. Mr. Chairman, thank you very much.

I am pleased to join you in welcoming this distinguished panel of witnesses before our Committee. They represent those who are qualified and well-educated and experienced to deal with the problems that are confronting our forests throughout the country, whether they are on Federal lands or private lands.

Mr. Sledge pointed out how much of our State is filled with forests that are privately owned. A large percentage of our State is in woodlands. The success that we have in protecting the health of our forests and helping to ensure a sustainable, productive forest resource is a very important economic benefit to our State. It is a great aesthetic benefit to our State; it is a great environmental benefit to our State.

We have a lot riding on making the right decisions and providing the funds that are available in the right way to help achieve these goals. We were also lucky in that Mr. Sledge is the immediate past president of the National Association of State Foresters, so he has a wide range of contacts throughout the country, and he is representing them all today, and I am really grateful that you took the time to come up and join Dr. Cope in this sauna of Washington; I thought that is what you said; it does feel like a sauna out there on some of these June and July days.

We appreciate the information that you are providing us on how we can be more effective in channeling resources to programs that you know will work and will benefit our States and our National Forests as well, and we will try to follow your advice and try to be persuasive as we talk with other Senators and members of the other body for making available the resources that we need for these important projects.

There is one question I did have for Mr. Sledge. In your testimony, you mentioned the efforts dealing with the southern pine bark beetle and how devastating that can be to some of our resources. What are the keys to preventing outbreaks of this and other insect threats in our forests in the Southeast?

Mr. SLEDGE. Well, particularly with the southern pine beetle, maintaining the bigger of the stand is essential. This means being able to keep the stands thin and also, as appropriate, using prescribed fire to keep the trees healthy and vigorous.

So far, in the last year in Mississippi, we have been fortunate. We have not had a severe outbreak. These things run in cycles, and it will just be a question of time. One of the things that is very common also to the southern pine beetle, maintenance of healthy forests is the same as you have found in many of the Western

States: we have to find additional markets for small material when we do our thinnings.

It is very difficult to get a thinning done by a private landowner if he has to pay to thin. He wants to be able to market it for some amount at least to recover his costs, and that is a vital part of this bill that would be of greater importance. We look at it right now that our biggest task is to prevent the attacks rather than have to react to them.

The CHAIRMAN. We heard the Chairman talk about these products that are being developed, and Dr. Cope mentioned that as well. Are we seeing any projects of this kind in the Southeast related to biomass wood utilization? Is any progress being made on that in our part of the country?

Mr. SLEDGE. We have, in Mississippi right now, one that I find very exciting and have been involved with, a process called TimTec, which came out of the private sector, but they came to the Land, Water and Timber Board, which was set up by the State Legislature, asking for funding for Mississippi State for some research to take small stands—in a very unscientific explanation, crush them and make a composite wood product out of them which at this point shows very strong characteristics to make it for construction lumber.

At this time, due to some money, grant money that we were able to provide them, an outfit called Sugarlock Lumber Company is in the process of building, trying to get financing to build a plant which would consume, if I remember right, about 500,000 tons of material annually, which would be a tremendous asset to the State.

The CHAIRMAN. Thank you very much.

Thank you, Mr. Chairman.

Senator CRAPO. Thank you very much, Senator Cochran.

Just following up on the last line of questioning, I appreciated each of the panelists in one context or another has discussed the importance of making sure we utilize the biomass products as they come out of our forests and finding a pathway for that to be successful. Ms. Daly, if I understood you correctly, you indicated that you thought that while we are making that market transition, we may need to have some kind of support to make sure that these transitions occur; is that correct?

Ms. DALY. Yes, one of the things that we are seeing now in Montana when you are dealing with projects with large amounts of very small, low or no value material is that they very quickly flood the available markets, and so, it becomes very difficult for contractors to be able to take them out. They have no way to sell them.

Really, they are going to have to be paid to remove them, because there is not a market there. There are some small types of new businesses starting to use some of these materials, and then, there are some businesses like pulp mills that are already set up to use some of them. You get into transportation problems and a number of other things that raise the cost of moving those materials and makes it difficult.

Senator CRAPO. Well, thank you.

This is obviously an issue that we are struggling with here at the Federal level, but our policy on the issue is clear. We just need to make sure we get all the agencies to understand the policy and to

understand how serious we are about implementing it, and then, we will find some ways to move forward on that.

Mr. Cope, I wanted to use my time with you and talk with you about some of the issues that you raised. One of the other issues that I would like to get into, which you have discussed in your testimony, is the relationship of commercial activity to healthy forests. Very clearly, when we debated the Healthy Forest legislation, our ability to build a strong, bipartisan bill was dependent in large part on the fact that we focused on protecting communities, and we focused on reducing the fuel load and addressing that part of the forest management that was not specifically connected to commercial activity.

However, as I have said earlier in the hearing today, I believe that commercial activity can be beneficial to those very same purposes and objectives, namely, reducing the fuel load and accomplishing proper forest management techniques. The reason I asked you to get those numbers yesterday and bring them to the hearing with you today is because of an experience I had in the Salmon National Forest in your hometown where, Mr. Chairman, I visited—Salmon, as Mr. Cope has indicated, is a county in Idaho which is 92 percent Federal land. There is one community and then lots of folks living around the forest in the available private land, but their economic activity is dependent on our National Forest and on the resource-based economy that has grown out of it.

I went there when I was a Congressman. This has been about 8 or 10 years ago, and we had one mill that employed, I remember, 40 people. This mill—I toured the mill. They were having trouble getting—they were in the middle of a giant forest, and they were having trouble getting timber to run their mill.

I asked them how many board feet they needed, and I had forgotten the answer, and Mr. Cope gave me the answer here today. It was around 15 to 20 million board-feet. They were worried about having to close that mill down. Ultimately, they did have to close it down and lost 40 jobs in that small community.

That same day, I went to the Forest Service and asked them, as we were touring and finding information from the Forest Service, I asked them in their sustainable forest approach so that they were meeting all environmental standards and not overcutting the forest or anything, how many board feet could they generate out of this forest? I had forgotten that number as well. Mr. Cope brought it to me. It was approximately, at least in 1987, it was about 28 million board feet, which was well more than the amount that this little mill needed.

Well, we could not get it. Did you say that today, they are getting about 100,000 board feet?

Mr. COPE. If we are lucky.

Senator CRAPO. If we are lucky, off of the forest, which, if I understand you correctly, means that the fuel load in that forest is growing much, much faster than we are removing it.

Mr. COPE. Estimated at over 100 million board-feet per year on that forest.

Senator CRAPO. In terms of increase in fuel load every year.

Mr. COPE. Correct.

Senator CRAPO. We have a tinder box growing there just like we have in some other parts of Idaho and other parts of the country.

I just wanted to make that connection between—as we address not only the impact and the management under the Healthy Forest Act, I just wanted to make that connection with the fact that we can use other tools, like the Healthy Forest Initiative that the President has and our commercial activities for little communities like this in these forests to not only help economic activity and help these communities thrive with their resource-based economies but to help proper forest management.

Mr. Cope, if you would like to just comment on that in any way, I would appreciate it.

Mr. COPE. Absolutely.

I was also able to pick up from our forest supervisor the plans and projections for the next 5 years on fuel reductions projects through prescribed burn and mechanical thinning. Through 2009 or 2010, whatever the next 5 years are, the total acreage for mechanical thinning and prescribed burn is a little over 77,000, which amounts to 1 percent of our National Forest, which is 5 million acres, 1.5 percent.

The simple fact is that on an area that vast and that overgrown, we simply do not have the resources or the finances to complete all that work. That is why I say it will take commercial activity; it will take private sector investment. There is simply too much fuel out there for the Government to go out and pay to have it done. It needs to be a community effort, partnership between industry, local and State governments and the Federal Government and the land management agencies.

I believe that can happen, but we have to be able to do that on the community level, and right now, we have a lot of help that we really do not need from other areas.

Senator CRAPO. Well, Mr. Cope, the community that I am talking about is Salmon, Idaho. Did you indicate that the community had been evacuated twice?

Mr. COPE. That was Gibbonsville.

Senator CRAPO. Oh, Gibbonsville, OK.

Mr. COPE. We have not had to evacuate Salmon yet.

Senator CRAPO. I know we have not had to evacuate Salmon; that is right, but I have been out there during some of the last forest fires, where the community was literally in jeopardy and have flown in one of the forest fire helicopters over the community, and the forest was burning so hot just right outside of town that each night, they would try to build a fire break against it on a ridge, and the fire would just leap the ridge and go on to the next one, and they kept fighting and fighting and fighting it for weeks in that particular fire.

This is as a result of the fact that we are just not able to manage the forest well enough. I know that some are probably a little uneasy about me bringing up the commercial connection here, because we built a lot of our common approach to get the Healthy Forest Act passed by staying away from the commercial arguments. I am not trying to start a fight here that will jeopardize our implementation of the Healthy Forest Act because it does not focus on the commercial side of our forest activity.

I do want to raise issue and hopefully help educate the people in the country who are concerned about these issues as to the fact that we can accomplish these proper objectives for forest management through proper commercial activities, and at some point, we are going to have to address that, and I hope that we continue to recognize that need.

Do you have any further questions, Mr. Chairman?

The CHAIRMAN. I was curious. Is Salmon on the Salmon River?

Mr. COPE. Yes, it is.

The CHAIRMAN. Because I recall going out there one time on a reconnaissance float trip down the Middle Fork of the Salmon River and being absolutely impressed, Mr. Chairman, with the beauty of the region and the majesty of that river. We spent four or five nights out on the river as we made our way down on that trip.

I also remember, Mr. Chairman, that at one point, we passed an area that had been devastated by a forest fire, and I asked when did the fire occur? They said something like 20 years ago. It looked like it had occurred last week. In our part of the country, these forests grow back pretty quickly. They get rejuvenated, and it is amazing how quickly they can be restored.

Out in your part of the country, if a forest fire gets loose out there, it does not come back in our lifetime, does it?

Mr. COPE. No, our average precipitation is 11 inches per year. It takes a long time to recover if ever, because you get permanent land damage. We have had catastrophic fires so hot that it sterilized the soil. What comes in on top of that afterwards when things do grow tend to be noxious weeds. Truthfully, I am not sure that—well, I am sure that we will not see that country as it was, and I am interested to hear that you have been there, because that gives you an understanding of why it is that we care and love that country so much and why we want to see it preserved and managed well.

The CHAIRMAN. We wish you all the best, and we hope that the initiatives contained in the recent legislation that the Chairman and I and others worked on will be helpful in the long run. We are determined to make it work through increased funding and targeted funding and programs that will really make a difference in the future.

Thanks, Mr. Chairman.

Senator CRAPO. Thank you very much.

We will excuse this panel and again, thank you for your testimony.

Mr. COPE. Thank you.

Senator CRAPO. While our third panel is coming forward, I will introduce them. Our third panel consists of Mr. James R. Crouch, from Jim Crouch Associates, representing—I am not going to pronounce this——

Mr. CROUCH. Ouachita.

Senator CRAPO. Ouachita—I will let you say it—Timber Purchase Group and several others: the Ozark/St. Francis Renewable Resource Council and the Lake States Federal Timber Purchasers Group; also, Mr. Tom Partin, president of the American Forest Re-

source Council of Portland, Oregon; and Dr. James Earl Kennamer——

Mr. KENNAMER. Kennamer, that's right, sir.

Senator CRAPO. I got it right, from the conservation programs of National Wild Turkey Federation. We appreciate all three of you being here with us, and we will have you testify in the order I have introduced you.

Mr. Crouch.

STATEMENT OF JAMES R. CROUCH, JIM CROUCH ASSOCIATES, RUSSELLVILLE, ARKANSAS, REPRESENTING OUACHITA TIMBER PURCHASERS GROUP, OZARK/ST. FRANCIS RENEWABLE RESOURCE COUNCIL, AND THE LAKE STATES FEDERAL TIMBER PURCHASERS GROUP

Mr. CROUCH. Thank you very much, Mr. Chairman. Good to see both of you. I am one of these Mississippians, Senator Cochran, so you have us en masse today.

The CHAIRMAN. We welcome you. Thank you for being here.

Mr. CROUCH. I am, as the Chairman said, the owner of Jim Crouch and Associates, a small forestry consulting business in Russellville, Arkansas. Prior to 1987, I was forest supervisor of the Ozark/St. Francis National Forest, and my testimony today is on behalf of the Ouachita Timber Purchasers Group, the Ozark/St. Francis Renewable Resource Council and the Lake States Federal Timber Purchasers Committee. The members of these organizations buy National Forest stumpage.

I am here today because our National Forests are unhealthy. Our forest health crisis is not simply about catastrophic wildfires, as many would have you believe, but rather, it's about failed management that allows insect and disease outbreaks that devastate our forests and makes possible the catastrophic wildfires that we see on the evening news.

Many would argue that our National Forests are no longer sustainable. However, there is ample evidence that well-designed and applied forest management strategies can help. It is also more economical to properly manage the forest than it is to suppress catastrophic events when they occur and restore the area. I strongly support active management based on sound science and implemented through local decision-making.

HFRA represents a bold acknowledgement that our Federal forests are in a crisis, and urgent, active management is necessary. I believe for HFRA to work that the Congress must provide additional funding. I believe the Forest Service must promptly embrace these new tools, and I believe that the administration and Congress together must support the existing forest industry infrastructure and not lose what you have in many of these small communities.

I work closely with many National Forests in the South and the Lake States, and I find dedicated, hard-working, highly skilled agency managers and specialists. These people know how to keep these forests healthy and productive, but they are terribly frustrated. Gridlock, high unit costs and limited budgets prevent them from putting their forest plans on the ground.

I'd like to talk briefly about Title I and Title IV. I believe that in Title I, the Community Wildfire Protection Plan has potential to improve the forest health if it is embraced by the forest agencies and cooperators. That is a really good piece of the legislation.

The Forest Service must use a mixture of prescribed burning and mechanical thinning to reduce hazardous fuels and treat stands that are candidates for bug and disease attacks. If such stands are not actively managed, they face almost certain death as they mature, become overcrowded, and their vigor declines. Many of these acres are candidates for commercial thinning at costs that are comparable to prescribed burning. If we look at the National Fire Plan, it specifically includes mechanical thinning as an approved method.

In Title IV, provides for expediting large-scale silvacultural assessments on Federal lands that are either experiencing or are prime candidates for insects or disease outbreaks. As the Under Secretary stated this morning, we have a couple of those underway already in Arkansas, and we believe that is going to be a good part of the tool: southern pine beetle and red oak borer.

As the health of the forest declines, forest-dependent communities suffer. As an example, in the Lake States, 77 mills have closed or scaled down their operations since 1989. In Minnesota, where 16 mills were affected, the Forest Service proposes to cut the volume of stumpage that the Chippewa and Superior National Forests can sell by 25 percent. Companies in close proximity to these two forests now import logs from Saskatchewan and other Canadian provinces at greatly increased costs in an attempt to keep their mills running. Both the Chippewa and the Superior are currently experiencing major health problems in stands that need active management. It does not make a lot of sense to me.

Since 1905, we as a nation have invested billions of taxpayer dollars to buy cut-over and abused forests and agricultural lands, the lands that nobody wanted, if you would, to reforest them and to nurture the young trees in today's pristine National Forests of the South and the Lake States, and I guess my question is are we now as a nation going to allow bugs and disease to harvest these forests, or are we going to actively manage them for the good of all citizens?

In closing, I would urge you and the administration to properly fund and immediately embrace the new tools in HFRA. I would urge the Forest Service to use these tools to reduce unit costs and to make active management include thinning and regeneration a priority.

Thank you.

[The prepared statement of Mr. Crouch can be found in the appendix on page 86.]

Senator CRAPO. Thank you very much, Mr. Crouch.

Mr. Partin.

STATEMENT OF TOM PARTIN, PRESIDENT, AMERICAN FOREST RESOURCE COUNCIL, PORTLAND, OREGON

Mr. PARTIN. Good morning, Mr. Chairman and Senator Cochran. My name is Tom Partin, president of the American Forest Resource Council, and first of all, I would like to say what an honor it is to

be in front of this Committee, knowing that you worked so hard to pass the HFRA bill last year.

The American Forest Resource Council represents nearly 90 forest products manufacturers and timberland owners located in 12 Western States. Our mission is to promote balanced and sustained management of our Federal forests, including a consistent and predictable flow of raw materials from these forests.

Most of our members are located in small, rural communities throughout the West, and these rural communities are only as healthy as the forest products industries located there. Consequently, forest health means community health. During the past decade, many of our Western forests have been the victims of drought conditions and overcrowding due to lack of management, which have left them ripe for wildfires.

Once a wildfire gets started under these conditions, they are very hard to extinguish and often burn hundreds of thousands of acres before being controlled. Further, we have seen that any attempt to rehabilitate the burned landscape is usually met with appeals from the environmental community, resulting in these projects being tied up in the court systems until the burnt timber has no value and the needed restoration is postponed for several critical years while we are waiting for a verdict from the courts.

We know that there has to be a better way of managing and tending our Federal forests, and that is why AFRC worked very hard with the Members of Congress to help pass the Healthy Forest Restoration Act of 2003. The Bitterroot fires of Montana, the Rodeo-Chediski fire in Arizona, the Biscuit fire in Oregon and the San Bernadino fires in California point out that this is a national crisis, and we can no longer fail in treating unhealthy forests or rehabilitating them after they burn.

The 2004 fire season is just getting underway, and Forest Service Chief Dale Bosworth has assessed this year's fire season as being as bad as the 2000 fire season, which, as we recall, burned 7 million acres of timberland. With this grim fire forecast, we believe the Forest Service and BLM should use all of the HFRA authorities to attempt to double the number of acres treated in fuel reduction projects this year.

To accomplish this task, the agencies must do a number of things, including supporting community-based wildfire protection plans to quickly treat the wildland-urban interface; use expedited environmental analysis processes which require only analyzing two alternatives which would quickly get projects to the ground; to use new judicial review procedures including the balance of harms provisions to be successful in our court system; and to aggressively use new stewardship and categorical exclusion authorities to treat additional acres.

Using these new tools, we do believe the Forest Service and BLM, as Mark Rey said, can double the acres treated for fuels reduction from 2 million this year to 4 million. It has been 6 months since the signing of the Healthy Forest Restoration Act, and the success of any new program is driven, to a large degree, by the attitude of those people doing the implementation. It has been our observation that a new and welcome can-do attitude is taking place within the agencies when it comes to implementation of the HFRA.

We are already seeing new projects being planned in watersheds at risk, in areas where we have fire condition class two and three, in the wildland-urban interface areas most at risk for fires and in areas where insects and disease are causing forest health problems.

Other efforts underway involve using Title III funds to assist in developing community-based fire plans and using new authorities to more quickly rehabilitate areas in burned wildfires. This last authority has been used very effectively in Region VI by Regional Forester Linda Goodman. Emergency action was requested and granted to remove salvage wood before it lost its economic value and to more quickly implement rehabilitation projects needed on three 2002 wildfires.

The EISes, of course, were challenged, as they all are, in the court system, but the Forest Service prevailed because they had done excellent work in their EISes, and the projects are moving forward, delivering much-needed wood to our mills and getting rehabilitation done on these burned areas. We strongly support the Forest Service for making this emergency request, and we ask that it be used more broadly.

In conclusion, Mr. Chairman, the Healthy Forest Restoration Act of 2003 has given the Forest Service and BLM needed tools and authorities to treat our forests at risk to wildfire. This authority is not a panacea, or it is not a cure-all for our unhealthy forests, nor is it intended to take the place of the regular green timber sale program that we need for consistent volume. It is an aggressive and much-needed first step.

To date, we are pleased with the new attitude of the agencies and how they are using their new authorities, and for this effort, the members of AFRC give the forest management agencies a B plus. It is important that the agencies deliver on their promise to treat 20 million acres of unhealthy forest for the sake of our forests, for the sake of our communities and for the sake of our forest industries.

Again, I want to thank you, Senator Crapo, and the other members of this Committee for inviting me here.

[The prepared statement of Mr. Partin can be found in the appendix on page 92.]

Senator CRAPO. Thank you very much.

Dr. Kennamer.

STATEMENT OF JAMES EARL KENNAMER, SENIOR VICE PRESIDENT OF CONSERVATION PROGRAMS, NATIONAL WILD TURKEY FEDERATION, EDGEFIELD, SOUTH CAROLINA

Mr. KENNAMER. Thank you. We appreciate the opportunity to address what we believe may be the most important legislation affecting our National Forests in many years, the Healthy Forest Restoration Act.

The National Wild Turkey Federation has worked closely with the U.S. Forest Service to carry out millions of dollars of cost-share projects to benefit wildlife habitat on our National Forests. This year, we completed two stewardship contracts on the Francis Marion and Sumter National Forests to reduce the threat of wild land fire and improve wildlife habitat.

Since 1980, we have worked successfully with the U.S. Forest Service, Arizona Game and Fish Department, U.S. Department of Agriculture, U.S. Fish and Wildlife Service and the Mexican Government to restore the Gould subspecies of the wild turkey to the Coronado National Forest in Arizona. A catastrophic fire could undo all of this work and set us back for decades.

It is estimated that over 190 million acres of Federal forests and rangelands in the lower 48 States are currently at risk of large-scale insect and disease epidemics and catastrophic fires. This places rural communities at risk and seriously threatens watersheds and fish and wildlife habitats. The poor conditions of our forests are a direct result of the lack of active forest management over recent decades combined with the exclusion of fire for over 100 years.

The Act provides new and better tools to put prescribed fire back into the landscape, thus restoring fire-dependent ecosystem and fire-adapted habitats. Prescribed fires also safeguard rural communities from the ravages catastrophic wildfire and improve the overall health of the forest.

The Act also provides tools to identify pests and stop infestations before they spread. Insects such as the southern pine beetle and the red oak borer would not have spread so fast nor be so widespread had the Forest Service been allowed to maintain the health of the forest over the last several decades. One habitat that is lacking in many of our National Forests is early successional habitat, which is characterized by young trees.

Early successional habitat can be created through timber harvests and thinnings. These thinnings and harvests also create a break in the continuous fuel found on the forests so that in the event of a wildfire, firefighters have a chance to stop the fire when it hits these man-made breaks in the canopy.

Many fire-adapted landscapes require periodic fire to maintain a healthy forest and the best wildlife habitat. Prescribed fire opens up the underbrush, allows sunlight to penetrate to the forest floor, and creates the early successional habitats that are so rare on many of our forests today. Even the catastrophic fires we saw in Yellowstone in 1988 improve wildlife habitat for grazers such as elk, but this was dangerous and an expensive way to create wildlife habitat.

Under the current conditions of our forests, we have only two choices: we can harvest the trees and follow the harvest with prescribed fire to actually improve forest health and habitat quality, or we can sit back and watch unnatural infestations of insect pests kill the trees and degrade the habitat. In many habitats, these infestations will be followed by catastrophic wildfires like the ones we have all watched destroy forests, homes, communities and human lives in recent years and destroying wildlife habitat.

The Healthy Forest Restoration Act offers a beginning of the solution. The act can only succeed with the proper implementation and adequate funding. I urge the Committee to work for full funding for the Act so we can reclaim our forests and, over time, which will take decades to do, restore the forest system that has supported this great nation for 100 years. Thank you.

[The prepared statement of Mr. Kennamer can be found in the appendix on page 97.]

Senator CRAPO. Thank you very much, Dr. Kennamer.

I will start out my questioning with you, Mr. Crouch. In your testimony, you indicated that the agencies have focused on prescribed burns to meet fuels reduction objectives. I know in the West, there are situations where fuel loads preclude prescribed burns until we get in and do some mechanical thinning. I assume the same thing is true in the South in some areas; is that correct?

Mr. CROUCH. Yes, you could look at the intermountain West and look at places in the South, and you would certainly find that similarity. You've got vast areas of either already dead and dying trees, or you have trees that within our lifetimes will certainly die from overcrowding and so forth.

We believe, as professional people, that there is a great opportunity to manage the stocking control, hopefully commercially so it is not with taxpayer dollars, and prevent the bugs and disease attacking those and then them feeding the big fires that you are seeing burning in parts of the West. We would like to see you work on the other end of the horse, the prevention end.

Senator CRAPO. Well, I can certainly agree with that. The pine beetle and the red oak borer—is that the one that you have? We each have our own fair share of these problems, and we can certainly solve a lot of it if we would get in and deal with them. I certainly agree with that.

Mr. Partin, during the consideration of the HFRA, many people viewed Title IV as the Southern title. Yet we in the Northwest have severe problems with insects and disease as well. Do you envision the type of landscape level projects that are being proposed by the Forest Service in the Ozark/St. Francis as something that we should be considering in the Northwest?

Mr. PARTIN. We should consider these projects in the Northwest, because as you know, we have severe infestations of mountain pine beetle, spruce budworm that is causing damage to thousands of acres, and we can take the template that they are using in the South, convert it over to our Western forests and be very effective.

I mentioned primarily wildfire in my testimony, because that has been first and foremost on the issues that we have had to deal with, but that only comes after we have infestations from the bugs. The first step is to treat these forests riddled by the bugs and get those in a healthy situation, and then, we will avoid the fires.

Senator CRAPO. Well, thank you. I also appreciated your testimony about the new attitude that you recognize in the agencies since the passage of the Healthy Forest Act. That has been my experience, too, and I am glad to hear back a little bit of input. Mr. Crouch, you are shaking your head yes. Are you experiencing that?

Mr. CROUCH. I am saying that the folks out there are very, very capable ones. I deal with a very willing and very anxious to do it if they could remove a few of these obstacles.

Senator CRAPO. If we just provide them the authorities and the ability to move forward, and I see Dr. Kennamer shaking his head in agreement as well.

Mr. CROUCH. The money.

Senator CRAPO. The funding, and that brings it right back here, which Senator Lincoln and I were talking about previously.

Mr. Partin, you indicated that with this emergency EIS or this emergency authority that was exercised that you were describing to us and the EIS challenges being successfully met, can you tell me, were those challenges brought after the Healthy Forest Restoration Act, and were they handled under the new authorities under the HFRA, or do you know?

Mr. PARTIN. The emergency action or emergency determination was asked for this spring after HFRA, and I believe that is part of the tools in that bill. Without that, we would not have been able to get an expedited approach to these sales. What it did was take the sales more quickly, complete the EIS, get them in front of the courts, because as you know, all of these projects are appealed.

The courts made a quick determination on them. They found that the EISes prepared were good documents. They ruled in favor of the Forest Service. Within a week after selling these sales, they were being operated on the ground.

Senator CRAPO. These are some examples—I do not know if you followed the debate here when we debated the Act, but that result was exactly what we were hoping to accomplish, and what you are telling us is that we are seeing some of that on the ground now.

Mr. PARTIN. We are seeing it on the ground, and that is one of the reasons we bought in so heavily to HFRA, because we needed something different. We could not allow these large project wildfires to sit for two, three and 4 years while the timber totally lost its value.

At least these are sales that are now going on in their second summer. We are getting some commercial value out of them. More importantly, we are getting this landscape rehabilitated, because we would see fires, as you have seen in Idaho and Montana that have sat for 5 years without rehabilitation. We have seen the soil suffer, we have seen the water, we have seen the air, we have seen the wildlife. We cannot have that.

Senator CRAPO. Well, thank you.

Dr. Kennamer, I am glad to have you bring the focus of wildlife into this whole issue as well. One of the other roles that I play here in the Senate on another Committee is the chairman of the Fisheries, Wildlife and Water Subcommittee of the Environment Committee. In that role, we pay a lot of attention to these kind of issues. I do not have time; my time is expiring here, but I just want to tell you I really appreciate the perspective you brought to us today as you discussed some of the critical issues relating to the impacts of our decisions in forest management on wildlife and what that can mean to us.

Senator Lincoln.

Senator LINCOLN. Thank you, Mr. Chairman and thank you for your patience with me today. I am in multiple places at one time.

Senator CRAPO. I understand.

Senator LINCOLN. A very special thanks to our panel and certainly to Mr. Crouch from Arkansas; we are glad to have you here, Jim.

Mr. CROUCH. My pleasure.

Senator LINCOLN. I guess really to hear from you, and I do hear from you on a regular basis, but to be able to share with the rest of the Committee and others, what parts of the Healthy Forest Act have really been the most helpful to you? Where have you found the best results in terms of the tools that we have given you?

Mr. CROUCH. I believe that in the East, where we are dealing more often with the maturing stands that are overstocked, that are threatened by bugs and insects and so forth, that will contribute to fires very shortly that we can go back under the National Fire Plan and emphasize the thinning aspect of it.

We saw the Ouachita National Forest this year, as a result of extreme shortages in their green timber sale program moneywise begin to figure out ways to do things like that, and they, in fact, took a considerable number of dollars that were National Fire Plan dollars to actually do the environmental assessments, actually put the paint on the trees and in effect sell a considerable amount of this volume that was being threatened.

We are having to stretch a little harder in the East to make some of these things work. It has taken a little bit longer for us to get them working. We think the assessments over under Title IV will help us, because there, you can actually deal with significant blocks of timber, and you can bring your research community, Forest Service research, universities together, again, to learn a lot about that, maybe how to prevent it, how to deal with it after it happens and so forth.

Quite frankly, we would like to see the Healthy Forest Restoration Act be a little more about health and a little less about fire.

Senator LINCOLN. Of the tools that are there and the objectives we tried to reach with the Healthy Forest Initiative, do you see anything that we did that maybe one something in there that is not being as fully utilized as it should and could be that could be really a much more instrumental? Is there something that the administration or the Forest Service is not really using?

Mr. CROUCH. I am a little bit, after talking to many, many Forest Service people and being old Forest Service myself, it is a little harder for me to be as enthusiastic about it as you may find other people. It is certainly a set of tools that helps. Some of the reluctance, if you will, of the Forest Service to really embrace it and get on with it is caused by——you do the 10 or 15 page each, for example, that Jim Connoton and his group put out as a suggested one, but somewhere, you have still got to have all of these exhibits and appendages and so forth, and when you get through with it, it may not be a lot different from what you have done.

I see some of those kinds of things. One area that I would like to see tweaked a little bit, I like the counterpart regulations, where the Forest Service basically has now got full authority to do BEs under certain situations. I would like to see something like that extended for the cultural resources. There, you have to deal with the individual state SHPOs, and you get widely varying situations from State to State; that is a major problem right now, frankly, in Arkansas is the tenderness, if you will, that you have to deal with the SHPOs.

Senator LINCOLN. Something we could probably improve on.

Mr. CROUCH. That could be a counterpart regulation, probably, where you have qualified archaeologists and so forth on staff.

Senator LINCOLN. Well, thank you again for your hard work.

Dr. Kennamer, thank you so much. I have to say that my very first experience in the National Forest was with my father turkey hunting. He used to like to go to the St. Francis National Forest, and he would take me up in the afternoons, and I would walk the ridges with him, and he would bed down a turkey, and then, he would go back and get it in the morning when it came off the roost, let me sleep.

As the co-chairman of the Congressional Sportsman's Caucus here, I have to say that I was a little bit selfish in working so hard on this Act, because this spring was the first time I got to take my twin boys turkey hunting, and it was wonderful to watch them enjoy the outdoors, enjoy the forest, be amazed at what they heard and saw when those beautiful creatures came out, and it is a wonderful thing.

I am very pleased that your interest here in preserving our forest for future generations and for something that we know is a part of our heritage in the sportsman's world. I am very grateful to you.

I know that you mentioned a little bit about the red oak borer insect or the insect concerns that are there. We suffer with the red oak borer in Arkansas, and of course, it has been a huge issue for us, but the may be something there you might want to expand on. I don't know.

Mr. KENNAMER. Well, Senator, one of the things that we have to deal with is we are going to be losing hundreds of thousands of acres of oak that are in the older stages. We have to regenerate that oak so that it will have economic benefit in the future. Importantly, the early succession that it will create, which is good for turkeys, because if we do not have the early grassland stages, we do not have quail, and that is one of the reasons for the decline of the bobwhite quail. We do not produce wild turkeys.

Not only are we going to need that from the wildlife benefits but just a safety issue: people in the woods trying to go out and enjoy the woods like you did with dead timber, climbing a tree to deer hunt or whatever; so we have to get back into the active management and deal with the red oak borer so that your kids and their kids will have the chance to come back and hunt, because we need those early successions, and this Act provides that opportunity.

Senator LINCOLN. Well, it is so interesting to see, even from those who are nonparticipants in the forest, people that just drive by, particularly around the Ozark and the Ouachita, because we have a lot of really scenic highways that go through there, those that notice the devastation. We clearly had a tremendous loss of trees due to those red oak borer, and it was amazing just to again, those who were just passing by to see that kind of devastation, it brought about a real reality of the need to manage the forest.

When I was first elected to Congress in 1992, the Forest Service was going to give me a tour of the St. Francis, and I guess they did not know I grew up in it, but I asked them if I could bring my dad along, and it was interesting, because we went up in the forest, and they took us on a tour, and afterwards, I was driving home, and I asked my father, and I said did they show me everything?

He said, well, they showed you pretty much everything. There are a few places that they did not show you that they probably should have.

He said but what most people do not realize is that this beautiful forest, which is probably one of the best hardwood timber forests in North America; although it is small, it is very, very good timber, he said it was pastureland 100 years ago. He said when pioneers came through here, they cleared it and you can see that certainly, timber, like anything else, has to be managed if it is going to be able to sustain itself, and that is a critical part of what we have to do in these forests.

We appreciate all of you all, and I very much appreciate my Chairman here, who has been great to work with and thank you very much.

Senator CRAPO. Well, thank you very much, Senator Lincoln. I have to also indicate what a pleasure it is to work with you. When we got put together on this Committee and got to work together, it was just a treat for me, and it has been a benefit for the country as we have been able to work in a bipartisan way and get things done, which does not happen around here a whole lot.

I just have one last question, and you are certainly welcome to ask a last one if you want, but Mr. Partin, or actually, Mr. Kennamer, the last question is for you, and that is in your testimony, you mentioned stewardship contracting on the Francis Marion and Sumter National Forests, and could you please elaborate on your experiences with these contracts briefly and tell us how they benefited both habitat and wildlife?

Mr. KENNAMER. I would be glad to, Senator. Both of these examples happened this spring. They happened in about three and a half to 4 weeks, which in Forest Service time scales would be almost miraculous. We had a willing forester who was willing to go out and help us get some stewardship contracting underway. We were able to burn 1,200 acres on the Sumter National Forest, which was beyond what the Forest Service would have had the ability to do. We did it for under $20 an acre with a subcontractor who was a former Forest Service employee. We also employed local people in the community to help with the fire lines, and so, we saved money for the Government. We created more habitat that would not have happened otherwise.

On the Francis Marion, after Hugo, which was an event that happened in the eighties, we looked at almost a billion board-feet of timber on the ground. A lot of that has come back in pine timber that is very small; it is crowded because, as mentioned earlier today, we have real fast succession in our part of the world, and we tried to reclaim on 62 acres that hardwoods needed to be on that site, so we went in and removed with the subcontractor that was able to go do it again at a very competitive cost, remove the timber from 10 inches to two inches, which heretofore, that would have either been left on the ground or thrown away or would have died.

We took that out and took in the timber down to two inches that was chipped and sent to the mill was enough timber to produce about a million copies of your local newspaper. The bark from the trees are going to be used to power the power plant. They are going

to bring the bark back in, so we have good wildlife benefit; we can maintain it with fire; the local economy benefited, and overall, the people in this country will get more for their bang than they have ever had before.

Senator CRAPO. Well, that is certainly the kind of success story that we need to hear, that and the experience on streamlining the process and the focus on prevention all are the aspects of this issue that we need to make sure the American public understands as a part of the solution.

Unless you have anything further——

Senator LINCOLN. We need to get Dr. Kennamer up here to help us squeeze a little more bump out of our dollars.

Senator CRAPO. You got that right.

Mr. KENNAMER. We will be glad to try to help.

Senator CRAPO. Help the Federal budget. Could you come up with about $470 billion?

[Laughter.]

Mr. KENNAMER. That is a little beyond our means, Senator.

Senator CRAPO. OK; well, first of all, as we conclude, I want to thank this panel for your outstanding testimony as well. Each of our panels today have provided outstanding testimony, not only their presentations today but their written testimony, and we want to thank you for the time and effort that you have put into this. It has been very helpful to us.

I hope that—actually, I wish everybody in America was watching today so that they could understand the kinds of issues that we are dealing with and understand the fact that we have identified some solutions that can move forward. If they did understand it, we would be able to go forward and expand the Act and reach more acres and do even more. Ultimately, we will be able to do so.

With that, I want to just again thank all of the witnesses and again, give a special thanks to Senator Lincoln. She stepped up right there at the beginning and worked hard on making this all happen.

This hearing is adjourned.

[Whereupon, at 12:01 p.m., the Subcommittee adjourned.]

APPENDIX

JUNE 24, 2004

Statement of

Mark Rey
Under Secretary for Natural Resources and the Environment
United States Department of Agriculture

And

Chad Calvert
Deputy Assistant Secretary, Land and Minerals Management
United States Department of Interior

Before the
United States Senate
Subcommittee on Forestry, Conservation and Rural Revitalization
Committee on Agriculture, Nutrition and Forestry

Concerning
The Administration's Implementation of the Healthy Forests Restoration Act

June 24, 2004

INTRODUCTION

Mr. Chairman, thank you for the opportunity to testify on the Administration's progress on implementing the Healthy Forest Restoration Act of 2003 (HFRA). President Bush signed this act into law on December 3, 2003. We are all grateful for the swift action by the Congress in passing this important piece of legislation, which gives federal agencies additional tools to reduce the risk of severe wildland fires and restore forest and rangeland health.

HFRA AND THE HEALTHY FORESTS INITIATIVE

The HFRA is an important bi-partisan expression from Congress that recognizes that critical fuels treatment and forest and rangeland restoration projects are being unnecessarily delayed by administrative procedures which are putting rural communities and critical social and ecological values at substantial risk from severe wildland fire.

The HFRA complements administrative reforms that have been put into place under President Bush's Healthy Forest Initiative (HFI). These reforms facilitate hazardous fuel treatments and ecological restoration projects on federal land. Some examples of these HFI administrative reforms include:

- Two new categorical exclusions under the National Environmental Policy Act (NEPA) to facilitate implementation of fuels treatment projects having minor environmental effects;
- Streamlined consultation procedures for threatened and endangered species with the U.S. Fish and Wildlife Service and National Marine Fisheries Service for National Fire Plan projects;
- Improved direction from the Council on Environmental Quality on conducting environmental assessments under NEPA; and
- Improved procedures for administrative appeals of agency proposed actions under 36 CFR 215.

Another important and related action is the authority provided by Congress to expand the use of stewardship contracting by the Forest Service (FS) and the Bureau of Land Management (BLM)

under the Omnibus Appropriations Act for Fiscal Year 2003 (Section 323 of P.L. 108-7). Stewardship contracts will be an important tool to get a variety of fuels treatment and forest restoration work done.

PROGRESS MADE ON IMPLEMENTING HFRA

It has been just over seven months since Congress passed HFRA. The Departments have taken a number of actions to implement it, including:

- Issuing in February of 2004 an interim field guide that was jointly prepared by the Forest Service and BLM to assist federal land managers to better understand what will be required to implement HFRA.
- Developing a variety of awareness and training tools for agency employees including a web-based Forest Service intranet site with overview training on HFI and HFRA and other relevant information including on stewardship contracting pilots, Endangered Species Act counterpart regulations, collaboration and multi-party monitoring, biomass information, and model environmental assessments. We have also established a national help desk to address questions arising from our field offices.
- Making available to the public a variety of materials on HFI and HFRA on the World Wide Web. These materials are on the Forest Service and BLM homepages and on www.healthyforests.gov.

The following briefly summarizes various actions being taken to implement each title of the HFRA.

Title I – Hazardous Fuels Reduction on Federal Lands

HFRA provides for the collaborative development and expedited environmental analysis of authorized projects, a pre-decisional Forest Service administrative review process, and other measures on National Forest System and Bureau of Land Management (BLM) lands that are at-risk of catastrophic fire. HFRA focuses attention on four types of federal land: the wildland-urban interfaces of at-risk communities, at-risk municipal water supplies, land where threatened and endangered species or their habitats are at-risk of catastrophic fire and where fuels treatment can reduce those risks, and land where windthrow, or insect or disease epidemics threaten an ecosystem component or forest and rangeland resources. Through development of a vegetative mapping tool, Landfire, Agencies and communities will be better able to identify high risk areas as fuels treatment project priorities are set.

The Forest Service published interim final regulations to implement the pre-decisional review provisions under Section 105 of HFRA on January 9, 2004. These regulations provide that concerns raised by the public during project development will be addressed before land managers make their final decision on hazardous fuels reduction projects.

The HFRA builds on work carrying out fuel treatments in and around communities under the National Fire Plan, and encourages the development of Community Wildfire Protection Plans. Our partners, the National Association of State Foresters, Society of American Foresters, National Association of Counties, Communities' Committee, and Western Governor's Association have prepared guidance for at-risk communities on how they might prepare a Community Wildfire Protection Plan (CWPP). The State Foresters are leading the efforts to

organize communities to draft CWPP's. Meetings are being held in communities nationwide, and the Federal land management agency employees are proud to be one of the many partners at the table. In Montana, for example, the *Bitterroot Community Wildfire Protection Plan,* updated in April 2004 is one community fire plan that emphasizes items in the National Fire Plan, the 10-year Comprehensive Strategy and HFRA. This document, serving nine Montana communities, was approved by the Ravalli county commission, eleven fire districts or departments, USDA Forest Service and others. Not only does this plan target the reduction of hazardous fuels and fire damages to structures it also addresses the restoration of fire adapted ecosystems.

The Forest Service and Department of the Interior agencies have also issued an HFRA implementation guide and conducted training sessions for field employees on the use of the HFRA authorities. Both BLM and the Forest Service are beginning to use the expedited HFRA authorities as new hazardous fuels reduction projects are being developed this field season. We have already accomplished over 2.2 million acres of hazardous fuel reduction for 2004. Most of these projects were developed before the passage of HFRA. As projects being developed this year under the authorities of HFRA are implemented in 2005, we expect the efficiencies gained by using the authorities of HFRA to help us meet and exceed our goal.

Title II – Utilization of Woody Biomass

Title II provides information and resources to help overcome barriers to the production and use of woody material produced on fuels reduction and forest restoration projects. This authority will help communities and businesses create economic opportunity through the sustainable use of the nation's forest resources. Title II contains three focus areas: it amends the Biomass Research

and Development Act of 2000 for the purposes of woody biomass production and use from forest management operations; it amends the authority for the Rural Revitalization Through Forestry program and provides for cooperation with the FS Forest Products Lab and S&PF to accelerate adoption of biomass technologies and market activities and it authorizes federal grants to facilities using biomass for wood-based products to help offset the cost of biomass.

The Departments of Agriculture, the Interior, and Energy have signed a memorandum of understanding that lays the groundwork for the interagency biomass committee to implement biomass projects. The FY 2004 grant solicitation process for the Biomass Research and Development Act was modified to incorporate the language from Section 201. This action generated a significant increase in woody biomass related proposal submissions. Implementation guidelines for Sections 202 and 203 are being developed.

The Department of the Interior is proposing to establish consistent and efficient procedures to allow contractors the option to remove woody biomass by-products from Department of the Interior land management activities. This option, where ecologically appropriate, will provide economic and social benefits by creating jobs and conserving natural resources. Removal or use of woody biomass will reduce smoke and emissions from prescribed and natural fires; preserve landfill capacities; reduce the threat of catastrophic wildfires to communities and public/private utilities; improve watershed and wildlife habitat protection; and improve forest, woodland, and rangeland health. The Forest Service, U.S. Department of Agriculture, has in place provisions in timber sale, service and stewardship contracts that provide similar opportunities to utilize this type of materials.

Title III – Watershed Forestry Assistance

Title III authorizes the Forest Service to provide technical, financial and related assistance to private forest landowners aimed at expanding their forest stewardship capacities and to address watershed issues on non-Federal forested land and potentially forested land. Title III also directs the Secretary to provide technical, financial and related assistance to Indian tribes to expand tribal stewardship capabilities to address watershed issues.

The Watershed Forestry Assistance Program promotes use of forest and forestry practices for protecting and restoring water quality and watershed functions. The Forest Service is working with State Foresters and with Indian Tribes to develop separate guidelines for the State Watershed Forestry Assistance Program and the Tribal Watershed Forestry Assistance Program. Through collaborative approaches in priority watersheds, States and Indian Tribes can integrate forestry practices across mixed ownerships, provide cumulative water quality benefits, and offer low cost, long-term solutions to many of the nation's non-point source pollution problems. Guidelines for program implementation will be in place in early fall.

Title IV—Insect Infestations and Related Diseases

Title IV directs the Forest Service and U.S. Geological Survey, to establish an accelerated program to plan, conduct, and promote systematic information gathering on insect pests, and the diseases associated with them, to assist land managers in the development of treatments and strategies to improve forest health; to disseminate the results of such information and to carry out

the program in cooperation with scientists from colleges and universities including forestry schools, governmental agencies and private and industrial landowners.

The Secretaries of Agriculture and Interior announced during the Forest Health Conference in Little Rock, Arkansas earlier this month the formation of a series of partnerships to help implement the HFRA in the southern United States. Among these are Forest Service partnerships with southern universities and state forestry agencies to conduct two landscape scale applied research projects on the Ozark-St.Francis National Forest to address infestations of the southern pine beetle and red oak borer, which threaten forest health in the region.

Title V – The Healthy Forest Reserve Program

Title V directs USDA to establish a program for private land to promote the recovery of threatened and endangered species, improve biodiversity and enhance carbon sequestration. To achieve these objectives, Title V authorizes the Secretary of Agriculture to acquire 99-year or 30-year easements (not to exceed 99 years), or utilize 10-year cost-share agreements on qualifying lands. The Secretary may enroll up to two million acres depending on appropriations. Title V also contains provisions allowing the Secretary to make safe harbor or similar assurances to landowners who enroll land in the program and whose conservation activities result in a net conservation benefit for listed, candidate, or other species.

The USDA Natural Resources Conservation Service (NRCS) has been designated to administer the Healthy Forest Reserve Program in coordination with the Forest Service, Fish and Wildlife Service, and the National Marine Fisheries Service.

Title VI – Forest Inventory/ Monitoring and Early Warning Systems

Title VI directs the Secretary of Agriculture to carry out a program to monitor forest stands on some National Forest System lands and private lands to improve detection of and response to environmental threats.

The Forest Service has developed and published the "The Early Warning System for Forest Health Threats in the United States," which describes for the first time, in one place, the nation's system for identifying and responding to forest health threats, including web sites to obtain further information.

Presently, the Forest Service is conducting a rapid detection pilot survey of invasive bark beetles in ten port cities in FY 2004 and doubling the number of surveyed ports in 2005 to twenty. This should help detect new invasives quickly before they gain a foothold.

In addition, the Forest Service has developed a new web site for Exotic Forest Pests or www.exfor.org with detailed information on 130 highly damaging, unwanted insects and pathogens to provide information to port inspectors on how to identify and determine the risk of unwanted pests.

Also, the Forest Service is establishing a multi-agency Executive Steering Committee to provide input into future developments of the Early Warning System.

OUTLOOK FOR FUTURE IMPLEMENTATION OF HFRA

We expect to continue to make headway into treating hazardous fuels to restore fire adapted ecosystems and to help make communities safer. Although we recognize that HFI and HFRA authorities are helping to restore healthy forest and rangeland ecosystems we have much work ahead of us. We need to work to ensure that the activities associated with hazardous fuel reduction including tree thinning and prescribed fire are accepted by communities. We need to solve the problem that much of the woody material removed in fuels treatment projects is below merchantable size and is very expensive to treat. We need to gain the public's understanding that it is okay to do mechanical treatment that removes merchantable trees, and show that we can do it responsibly and to the benefit of fire adapted ecosystems. What is important is that we are leaving the healthiest, most resilient trees on the landscape.

We need continued bi-partisan Congressional support of these hazardous fuel reduction efforts, and need to expand our capacity to treat more with less, using biomass utilization, and stewardship contracting, and other tools. Homeowners need to continue to take responsibility for treating hazardous fuels on their own lands by taking action through the FIREWISE program, which helps people who live or vacation in fire-prone areas educate themselves about wildland fire protection. Homeowners can learn how to protect their homes with a survivable space and how to landscape their yard with fire resistant materials.

CONCLUSION

Mr. Chairman, with the new authorities that we have been given and the dedication and talent of our combined BLM and Forest Service workforce, we are confident that we will make significant improvements to the health of this country's forests and rangelands. We will continue to work with our other federal, state, tribal and local partners to accomplish this. We appreciate your support. I would be happy to answer any questions the committee may have.

Testimony of James L. Sledge
State Forester of Mississippi
On behalf of the National Association of State Foresters

Before the U.S. Senate Committee on Agriculture, Nutrition and Forestry
Subcommittee on Forestry, Conservation and Rural Revitalization
June 24, 2004

On Implementation of the Healthy Forests Restoration Act

Good morning Mr. Chairman and members of the Subcommittee. On behalf of the National Association of State Foresters, I am pleased to have the opportunity to testify today on implementation of the Healthy Forests Restoration Act, landmark forestry legislation which was enacted last year. As Mississippi State Forester, I also serve as the immediate Past President of NASF.

The National Association of State Foresters is a non-profit organization that represents the directors of the state forestry agencies from all fifty states, eight U.S. territories, and the District of Columbia. State Foresters manage and protect state and private forests across the U.S., which together encompass two-thirds of the nation's forests.

In partnership with the USDA Forest Service, State Foresters have an active and important role in assisting communities to develop Community Wildfire Protection Plans, defined in Title I of the Healthy Forests Restoration Act. We will also be responsible for providing technical assistance to communities and landowners to protect water quality under Title III of the Act. We have been working with the Forest Service to develop guidelines to implement the Watershed program, and we are working with the Administration and Congress to secure funding for the full implementation of the Act.

As NASF testified before this Committee last year, our organization is committed to implementation of the 10-Year Comprehensive Strategy for the National Fire Plan. The Healthy Forests Restoration Act (HFRA) will help federal and state agencies and communities achieve the four goals of the 10-Year Strategy:

1. Improve Fire Prevention and Suppression
2. Reduce Hazardous Fuels
3. Restore Fire-Adapted Ecosystems
4. Promote Community Assistance

The HFRA also supports the guiding principles of the 10-Year Strategy, emphasizing priority setting for the protection of communities and other high-priority watersheds at risk; collaboration among governments and stakeholders; and accountability for performance. Consistent with the 10-Year Strategy, we must now ensure that the HFRA retains this focus on improving forest health *nationwide* and on *all land ownerships*.

Community Wildfire Protection Planning is a Critical First Step

To begin the collaborative process for reducing hazardous fuels under Title I of the Act, NASF worked with the National Association of Counties, the Society of American Foresters, the Communities Committee of the Seventh American Forest Congress, and the Western Governors' Association to develop guidance for preparing Community Wildfire Protection Plans. The Southern Governors' Association has also endorsed this effort. While our handbook was primarily designed to help communities prepare the plans authorized by the Act, our goal is also to ensure its applicability to all communities facing wildfire risk, regardless of their proximity to federal lands.

This document is now posted on the web, and with our partners we have distributed more than 4,000 copies of the handbook to the states, U.S. Territories, counties and communities around the country, as well as to all Members of Congress. We are currently working with communities across the nation to develop new or modify existing protection plans to identify and prioritize actions needed to reduce hazardous fuels and improve community safety.

I would like to briefly highlight some activities underway in Idaho as just one example of work that is going on across the West.

The Idaho Department of Lands 2003 Annual Report, completed in March this year, describes the continuing collaborative efforts in the state to implement the National Fire Plan. The state has organized an Idaho State Fire Plan Working Group to provide further guidance for the National Fire Plan and to prioritize projects at the State level.

Today, the partners in every county in the state are engaged in or have completed a County Wildland Fire Assessment and Mitigation Plan. In each county, varied combinations of County Commissioners, local fire chiefs, citizens, local emergency planning committees, Resource Conservation and Development Associations, and state and federal land management and emergency preparedness agencies are assessing their local threats and vulnerabilities to wildland fire. Working together, with county governments taking the lead, the teams are finding solutions to mitigate those threats.

The Idaho State Fire Plan Working Group consists of 14 agencies, organizations and tribes that have a responsibility for delivery of the National Fire Plan. This group is chartered and has developed a statewide fire risk assessment to provide a scientific foundation for consideration as they prioritize projects.

As State Forester Winston Wiggins wrote in the Idaho Department of Lands 2003 annual report, as a result of the National Fire Plan and now the HFRA, "people in Idaho are working together like never before to identify threats from wildland fire and to create local solutions." To see the full Idaho report, I encourage you to visit the interagency Idaho website at www.idahofireplan.id.gov.

Community fire planning is also underway in Eastern states. In another example, outbreaks of spruce budworm in the forests of Minnesota have caused widespread accumulations of dead trees, greatly increasing the risk of catastrophic wildfire and putting communities in jeopardy. In response to these forest health conditions, the Minnesota Division of Forestry is working with the Forest Service and local communities to develop Community Wildfire Protection Plans to identify areas of federal land around communities that are most in need of treatment.

The new authorities under Title I of the HFRA will allow on-the-ground treatments to be performed quickly for more effective control of spruce budworm infestations. Without the HFRA, administrative processes created many delays so that projects were no longer effective in controlling budworm outbreaks. Foresters at the Superior National Forest are now planning several projects under the HRFA to be implemented within the next year, demonstrating the effectiveness of the new authorities.

Implementation of the HFRA is a Long-Term Responsibility

As communities and state and federal agencies implement fuel reduction activities under Title I of the Act, we will make important progress towards reducing the risk of fire to communities and surrounding forest lands. However, with millions of acres at high to moderate risk of catastrophic fire, it will take many years to carry out the treatments needed. In addition, we are dealing with living ecosystems that change with time, so follow-up treatments and ongoing management activities will be needed in many places to retain that reduced risk.

In the South, we have been using prescribed fire for many years to annually control the growth of fine fuels. This repeated treatment is essential to prevent the growth of excess fuels that would put many more of our communities and forestlands at risk.

As an example, in Mississippi our goal is to use prescribed fire to burn 450,000 acres annually. To accomplish this, we have used National Fire Plan funding to burn 16,000 acres this year and will use these funds for another 50,500 acres before the end of the season. We have also been able to use "Stevens amendment" funds to accomplish 5,100 acres of prescribed burning, with a total of 18,500 acres planned for the year. While we have had a wet spring in much of the South, by using these federal programs together with our state funds we should come close to meeting our goal of almost half a million acres prescribed burned in 2004.

Wildfire *prevention* is also a continuous and essential component to reducing risk to communities. Without a strong focus on prevention, funds invested in wildfire suppression and preparedness become less effective, not only in the South, but across the U.S. In Mississippi a large part of our prevention focus is devoted to the Firewise program, which helps homeowners learn actions they can take to reduce hazardous fuels around their home and make their property more fire safe. Mississippi now has one full-time and two part-time employees devoted to the Firewise program. With these staff we

are able to focus on the high-hazard wildland-urban interface areas, and we are making good progress in this effort.

In Mississippi we also have a major effort underway to prevent the spread of the Southern pine bark beetle. Tree mortality from the pine beetle is a major cause of increased fire risk to forested communities. Our work is focused on maintaining pine stand vigor through mechanical thinning followed by prescribed burning. To accomplish this, however, we need markets for the thinned material, both to help cover the cost of the work and to utilize the material that must be removed from the forest.

Most of our pine beetle work is currently being accomplished with state funds, which are becoming harder and harder to maintain. To meet the need, the federal assistance programs in both the HFRA and the Farm Bill are essential. Our situation is not unique – states across the nation are unable to implement these federal programs without federal funding.

Full Implementation of the HFRA is Needed

Titles II through VI of the HFRA will also help to reduce hazardous fuels by providing additional tools for land managers. These authorities will provide improved rapid detection and treatment of forest pests, increased utilization of woody biomass, and community and landowner assistance for improvement of forested watersheds. Together with Title I of the Act, these programs will, over time, lead to improved forest health on all lands.

The Watershed Forestry Assistance Program (Title III) will be an important tool to improve the health of forested watersheds across the country, and will be of great value to us in the South. This program is designed to protect and improve watershed health by forming partnerships among State Foresters, communities, nonprofit organizations, local watershed councils, and private forest landowners. These partnerships will be the mechanism for protecting and improving water quality for the benefit of human communities and natural ecosystems. NASF has been working with the Forest Service to develop the guidelines needed for implementation of this program. We now seek your support to ensure that the program can be funded and implemented.

Titles IV and VI should provide timely assistance to address emerging forest health threats, such as sudden oak death. Arriving on nursery stock from California, sudden oak death has now been confirmed in thirty-nine states. Scientists have already identified sixty different plant species that host the disease, and foresters are worried that sudden oak death could rival the damage done years ago by the chestnut blight.

As just one example, half of the forest cover in West Virginia is believed to be susceptible to sudden oak death. With forest products manufacturing being the second largest industry in the state, the spread of sudden oak death from the diseased nursery stock would be devastating to the state's economy. The potential impacts of the disease on the ecology of Eastern hardwood forests across the region are equally staggering.

NASF thanks the Committee for your work to include Titles II through VI in the HFRA. While these programs are important nationwide, they have particular importance in many eastern states where there is little federal land. We now ask for your support to ensure that these programs will be funded and implemented.

Assistance for Communities and Landowners Will Accelerate Achievement of Forest Health Goals.

Title I of the Healthy Forests Restoration Act places an emphasis on reducing hazardous fuels around communities. Two of the best tools to help communities and family forest landowners achieve the goals of the HFRA are authorized in the 2002 Farm Bill. These include the Community and Private Lands Fire Assistance Program and the Forest Land Enhancement Program, both in the Forestry Title (Title VIII) of the Farm Bill. The community assistance program (CPLFA) was originally funded under the National Fire Plan, but it has not been funded under the Farm Bill.

NASF greatly appreciates the work done by this Committee to enact the Forestry Title of the Farm Bill. In 2003 State Foresters successfully implemented the FLEP program for one year. As you know, however, last fire season the USDA Forest Service diverted half of the funds assigned to the program to help pay for fire suppression, and Congress repaid only $10 million to the fund. Now the President's budget recommends the balance of the program be "cancelled." On behalf of all State Foresters and the landowners we serve, I urge you to help ensure this language is not adopted in the FY 2005 Interior Appropriations Act. FLEP is the only federal cost-share program targeted to family forest landowners to help them implement stewardship plans and achieve better forest health on their lands. Healthy family forests benefit all of us by providing clean water, habitat for wildlife and fish, and improved air quality.

Conclusion

NASF is committed to work with our federal partners to achieve the goals of the HFRA on state and private lands. We are assisting in the development of Community Wildfire Protection Plans, and we are ready to implement landowner assistance programs authorized in the HRFA and the 2002 Farm Bill. We have already laid the groundwork for implementation of the Farm Bill programs, and we are prepared to complete the work needed so that we can implement the HFRA programs as soon as funding is made available.

We appreciate the Committee's support for all of these programs and we look forward to continuing our work with you to ensure that we can deliver the programs to landowners. These important tools will help reduce losses from insects and disease, reduce the risk of fire, and make our communities safer.

Thank you for the opportunity to testify today. I would be happy to answer any questions you may have.

TESTIMONY OF

THE HONORABLE ROBERT COPE
COMMISSIONER
LEMHI COUNTY, IDAHO

ON BEHALF OF

THE NATIONAL ASSOCIATION OF COUNTIES
&
THE IDAHO ASSOCIATION OF COUNTIES

BEFORE THE

SUBCOMMITTEE
ON
FORESTRY, CONSERVATION & RURAL REVITALIZATION

OF THE

COMMITTEE ON AGRICULTURE, NUTRITION & FORESTRY

UNITED STATES SENATE

JUNE 24, 2004

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RECYCLED

Chairman Crapo, Senator Lincoln and distinguished subcommittee members, it is an honor to appear before you today to present this testimony on the implementation of the Healthy Forests Restoration Act. My name is Robert Cope, and I am the Chair of the Board of Commissioners from Lemhi County, in central Idaho. I am also honored to serve on the Board of Directors of the Idaho Association of Counties (IAC) and as Second Vice President of the National Association of Counties (NACo) Western Interstate Region (WIR).

As far back as the mid-eighties, county officials were among the few lonely voices urging active management and warning of the catastrophic consequences of non-management. NACo, spurred by officials from the public lands counties of the West, began calling on the federal government to take action to address the looming forest health crisis. Sadly, it took several years of devastating fires to begin to turn public opinion around. Now, at last, there is a broad national consensus for active management, laying the groundwork for the President's Healthy Forests Initiative and ultimately for the enactment last year of the Healthy Forests Restoration Act.

NACo is proud of the role it has played in bringing us to this point, but we believe that we have a long way to go to fulfill the promise of the Act. As the implementation of the Initiative continues and implementation of the Act gets underway, we respectfully submit four general observations and recommendations for your consideration:

First, and foremost, NACo urges the agencies to be aggressive. This year's combined Department of the Interior and USDA Forest Service target of treating 2,660,000 acres for fuels is a good start, but we believe that the scale of the problem on the ground calls for even more intervention. At this rate we will barely be able to slow the problem's rate of growth, much less begin to reverse the course. A quick look at the proposed plan of vegetation and fuel treatments on the Salmon-Challis National Forest in my part of Idaho, for example, suggests that the program could be much more ambitious. More high priority acreage could be treated if there was more willingness to use all the tools available, including the new categorical exclusions and well-designed timber sales.

Second, intensive collaboration with local communities must be stepped up. In order to take advantage of the Act's full range of tools, the agencies must be working in collaboration with communities, by and through their state and local governments. To this end, NACo, along with the National Association of State Foresters, the Society of American Foresters and the Communities Committee has developed a handbook to help local leaders to develop their own Community Wildfire Protection Plans. A copy of the handbook will be submitted for the record as an attachment to my written testimony. NACo hopes that the handbook will be useful for communities which have not already developed such plans to think through the issues, and take advantage of the opportunities available under the Act. At the same time, federal land managers should also reach out to local governments and encourage them to come to the table and help build consensus around a shared strategy for their local forest.

Creating partnerships with the private sector to implement treatments that maximize environmental benefits of forest ecosystem health, diversity and sustainability is integral to effective local-level collaboration. It should not be seen as simply government-to-government collaboration. It should also be private sector-driven and fully integrate long-term community and economic development planning. Such partnerships enhance the local tax base, provide living-wage jobs and build critical community infrastructure. We must abandon the irrational notion that restoration work can only be done by "government". It not only can – it must – pay for itself.

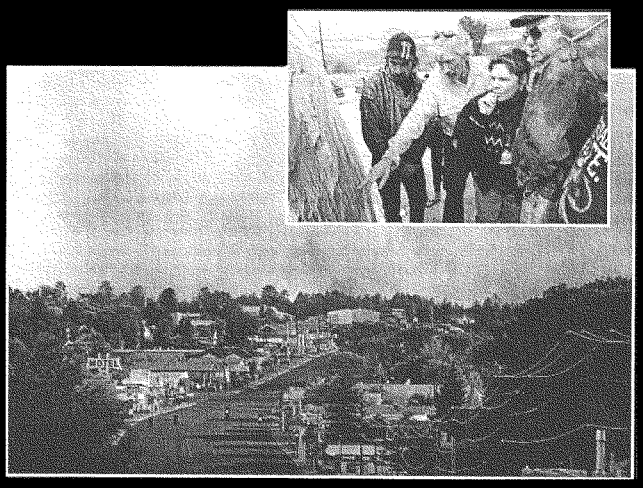
Third, more must be done to educate the general public on the need for ongoing management to ensure the long-term health of our forests. While the hard-won consensus appears to be holding fairly steady, there are habits of thought – and even aesthetic preferences – that reinforce bad management. Many people, for instance, prefer the look of dense stands of trees that are actually unnatural and overstocked with hazardous fuels. The agencies, as well as all their collaborating partners, must devote a significant portion of their education and public information resources to spread the word about the importance of active management for the long-term health of the forests. The venerable, and perhaps all-too effective, suppression message of Smokey Bear, for instance, could be updated to communicate the imperative of restoring fire-adapted ecosystems to health, through active management.

Finally, Congress must continue to fund the programs of the National Fire Plan, including those aimed at implementing the "Comprehensive Ten Year Strategy to Reduce

Wildland Fire Risks to the Communities and the Environment" developed and endorsed by NACo, along with the Western Governors' Association, the agencies and other stakeholders. The programs which provide assistance to communities to develop their capacity to partner effectively with state and federal agencies are particularly important. We are encouraged, for instance, by the $5 million increase provided in the FY 2005 Interior Appropriation bill for the State Fire Assistance program to assist communities in developing Community Wildfire Protection Plans. On the other hand, we regret having to continue to plead with Congress to fully meet its obligations under the Payment in Lieu of Taxes (PILT) program. The public lands counties depend on PILT in order to have the basic capacity to come to the table and participate meaningfully in all the collaborative processes contemplated by the Ten Year Strategy, the President's Initiative and the Act.

For our part, NACo urges eligible counties to use funds received under Title III of the Secure Rural Schools and Community Self-Determination Act of 2000 to develop Community Wildfire Protection Plans and then to use Title II money to leverage other programmatic funds for hazardous fuel treatments. By pooling federal, state and local government resources as well as those from the private sector, progress can be made at an appropriate pace and scale.

Mr. Chairman, in conclusion, NACo is encouraged by the new direction being taken, and we urge you to ensure that we stay the course.



Preparing a Community Wildfire Protection Plan

A Handbook for Wildland–Urban Interface Communities

Sponsored By:

Communities Committee • National Association of Counties • National Association of State Foresters
Society of American Foresters • Western Governors' Association

Communities Committee

March 2004

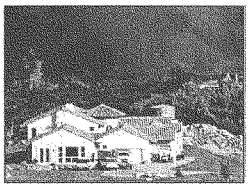


Photo: CA Dept. of Forestry and Fire Protection

Introduction

The idea for community-based forest planning and prioritization is neither novel nor new. However, the incentive for communities to engage in comprehensive forest planning and prioritization was given new and unprecedented impetus with the enactment of the Healthy Forests Restoration Act (HFRA) in 2003.

This landmark legislation includes the first meaningful statutory incentives for the US Forest Service (USFS) and the Bureau of Land Management (BLM) to give consideration to the priorities of local communities as they develop and implement forest management and hazardous fuel reduction projects.

In order for a community to take full advantage of this new opportunity, it must first prepare a Community Wildfire Protection Plan (CWPP). Local wildfire protection plans can take a variety of forms, based on the needs of the people involved in their development. Community Wildfire Protection Plans may address issues such as wildfire response, hazard mitigation, community preparedness, or structure protection—or all of the above.

The process of developing a CWPP can help a community clarify and refine its priorities for the protection of life, property, and critical infrastructure in the wildland–urban interface. It also can lead community members through valuable discussions regarding management options and implications for the surrounding watershed.

The language in the HFRA provides maximum flexibility for communities to determine the substance and detail of their plans and the procedures they use to develop them. Because the legislation is general in nature, some communities may benefit from assistance on how to prepare such a plan.

This *Handbook* is intended to provide communities with a concise, step-by-step guide to use in developing a CWPP. It addresses, in a straightforward manner, issues such as who to involve in developing a plan, how to convene other interested parties, what elements to consider in assessing community risks and priorities, and how to develop a mitigation or protection plan to address those risks.

This guide is not a legal document, although the recommendations contained here carefully conform to both the spirit and the letter of the HFRA. The outline provided offers one of several possible approaches to planning. We hope it will prove useful in helping at-risk communities establish recommendations and priorities that protect their citizens, homes, and essential infrastructure and resources from the destruction of catastrophic wildfire.

Cover images

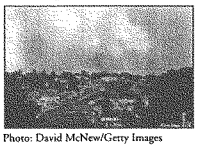


Photo: David McNew/Getty Images

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Discussion

Photo: State and Private Forestry, Cooperative Programs Pacific Northwest Region

Communities and the Wildland–Urban Interface

The wildland–urban interface (WUI) is commonly described as the zone where structures and other human development meet and intermingle with undeveloped wildland or vegetative fuels. This WUI zone poses tremendous risks to life, property, and infrastructure in associated communities and is one of the most dangerous and complicated situations firefighters face.

Both the National Fire Plan and the Ten-Year Comprehensive Strategy for Reducing Wildland Fire Risks to Communities and the Environment place a priority on working collaboratively within communities in the WUI to reduce their risk from large-scale wildfire.

The HFRA builds on existing efforts to restore healthy forest conditions near communities and essential community infrastructure by authorizing expedited environmental assessment, administrative appeals, and legal review for hazardous fuels projects on federal land.

The Act emphasizes the need for federal agencies to work collaboratively with communities in developing hazardous fuel reduction projects, and it places priority on treatment areas identified by communities themselves in a CWPP.

Role of Community Wildfire Protection Plans

The HFRA provides communities with a tremendous opportunity to influence where and how federal agencies implement fuel reduction projects on federal lands and how additional federal funds may be distributed for projects on nonfederal lands. A CWPP is the most effective way to take advantage of this opportunity.

Local wildfire protection plans can take a variety of forms, based on the needs of those involved in their development. They can be as simple or complex as a community desires.

The *minimum requirements* for a CWPP as described in the HFRA are:

(1) **Collaboration:** A CWPP must be collaboratively developed by local and state government representatives, in consultation with federal agencies and other interested parties.

(2) **Prioritized Fuel Reduction:** A CWPP must identify and prioritize areas for hazardous fuel reduction treatments and recommend the types and methods of treatment that will protect one or more at-risk communities and essential infrastructure.

(3) **Treatment of Structural Ignitability:** A CWPP must recommend measures that homeowners and communities can take to reduce the ignitability of structures throughout the area addressed by the plan.

The HFRA requires that three entities must mutually agree to the final contents of a CWPP:

- The applicable local government (i.e., counties or cities);
- The local fire department(s); and
- The state entity responsible for forest management.

In addition, these entities are directed to consult with and involve local representatives of the USFS and BLM and other interested parties or persons in the development of the plan. The process is intended to be open and collaborative, as

described in the Ten-Year Strategy, involving local and state officials, federal land managers, and the broad range of interested stakeholders.

If a community already has a plan that meets these requirements, the community need not develop an additional plan for the purposes of the HFRA.

Benefits to Communities

In the context of the HFRA, a CWPP offers a variety of benefits to communities at risk from wildland fire. Among those benefits is the opportunity to establish a localized definition and boundary for the wildland–urban interface.

In the absence of a CWPP, the HFRA limits the WUI to within ½ mile of a community's boundary or within 1½ miles when mitigating circumstances exist, such as sustained steep slopes or geographic features aiding in creating a fire break. Fuels treatments can occur along evacuation routes regardless of their distance from the community. At least 50 percent of all funds appropriated for projects under the HFRA must be used within the WUI as defined by either a CWPP or by the limited definition provided in the HFRA when no CWPP exists.[1]

In addition to giving communities the flexibility to define their own WUI, the HFRA also gives priority to projects and treatment areas identified in a CWPP by directing federal agencies to give specific consideration to fuel reduction projects that implement those plans. If a federal agency proposes a fuel treatment project in an area addressed by a community plan but identifies a different treatment method, the agency must also evaluate the community's recommendation as part of the project's environmental assessment process.

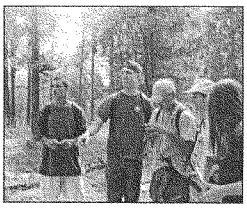
Preparing a Community Wildfire Protection Plan

- These step-by-step recommendations are intended to help communities develop a wildfire protection plan that addresses the core elements of community protection. Items required under the HFRA are addressed, as are some additional issues that often are incorporated into wildfire protection planning. Actions beyond those listed in the legislation are not required for the purposes of the HFRA.

- Community fire planning need not be a complex process. A community can use this outline to develop a fire plan that is as extensive or as basic as is appropriate and desired by the community.

- A key element in community fire planning should be the meaningful discussion it promotes among community members regarding their priorities for local fire protection and forest management. This handbook should help to facilitate these local discussions.

[1] In the absence of a CWPP, Section 101 (16) of the HFRA defines the wildland–urban interface as " (i) an area extending ½ mile from the boundary of an at-risk community; (ii) an area within 1½ miles of the boundary of an at-risk community, including any land that (I) has a sustained steep slope that creates the potential for wildfire behavior endangering the at-risk community; (II) has a geographic feature that aids in creating an effective fire break, such as a road or ridge top; or (III) is in condition class 3, as documented by the Secretary in the project-specific environmental analysis; (iii) an area that is adjacent to an evacuation route for an at-risk community that the Secretary determines, in cooperation with the at-risk community, requires hazardous fuels reduction to provide safer evacuation form the at-risk community."



✔ STEP ONE: Convene Decisionmakers

The initial step in developing a CWPP should be formation of an operating group with representation from local government, local fire authorities, and the state agency responsible for forest management.

Together, these three entities form the core decision-making team responsible for the development of a CWPP as described in the HFRA. The core team members must mutually agree on the plan's final contents.

In communities where several local governments and fire departments are within the planning area, each level of government/authority may need to convene ahead of time and identify a single representative to participate, on its behalf, as a core team member.

✔ STEP TWO: Involve Federal Agencies[2]

Once convened, members of the core team should engage local representatives of the USFS and BLM to begin sharing perspectives, priorities, and other information relevant to the planning process.[3]

Because of their on-the-ground experience, mapping capabilities, and knowledge of natural resource planning, these local land management professionals will be key partners for the core team. In some landscapes, they will also be largely responsible for implementing the priorities established in the resulting CWPP.

✔ STEP THREE: Engage Interested Parties

The success of a CWPP also hinges on the ability of the core team to effectively involve a broad range of local stakeholders, particularly when the landscape includes active and organized neighborhood associations, community forestry organizations that work in forest management, and other stakeholder groups that display a commitment to fire protection and fuels management.

Substantive input from a diversity of interests will ensure that the final document reflects the highest priorities of the community. It will also help to facilitate timely implementation of recommended projects. In some circumstances, the core team may wish to invite local community leaders or stakeholder representatives to work along with them in final decisionmaking.

As early as possible, core team members should contact and seek active involvement from key stakeholders and constituencies such as:

- Existing collaborative forest management groups
- City Council members
- Resource Advisory Committees
- Homeowners Associations—particularly those representing subdivisions in the WUI
- Division of Wildlife/Fish and Game—to identify locally significant habitats
- Department of Transportation—to identify key escape corridors
- Local and/or state emergency management agencies
- Water districts—to identify key water infrastructure
- Utilities
- Recreation organizations
- Environmental organizations
- Forest products interests
- Local Chambers of Commerce
- Watershed councils

This list provides a starting point and is by no means exhaustive.

[2] Sec. 103 (b)(2) of the Act states that "the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the planning process and recommendations concerning community wildfire protection plans."

[3] A CWPP is legally applicable to federal lands only if they are managed by the USFS or the BLM. Nothing in the Act requires a community to exclude other federal agencies—such as the Fish and Wildlife Service or the National Park Service—from planning efforts, but those agencies are not bound by the provisions of the HFRA.

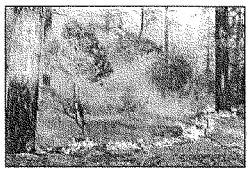


Photo: New Mexico State Forestry

In addition to directly contacting key individuals and organizations, core team members may want to consider using a public notice or public meeting process to acquire additional, more generalized input as the plan is developed.

✔ STEP FOUR: Establish a Community Base Map

Using available technology and local expertise, the core team and key partners should develop a base map of the community and adjacent landscapes of interest. This map will provide a visual information baseline from which community members can assess and make recommendations regarding protection and risk-reduction priorities.

To the extent practicable, the map should identify:

- Inhabited areas at potential risk to wildland fire;
- Areas containing critical human infrastructure—such as escape routes, municipal water supply structures, and major power or communication lines—that are at risk from fire disturbance events; and
- A preliminary designation of the community's WUI zone.

✔ STEP FIVE: Develop a Community Risk Assessment

The development of a community risk assessment will help the core team and community members more effectively prioritize areas for treatment and identify the highest priority uses for available financial and human resources.

A meaningful community assessment can be developed by considering the risk factors identified below. Choose an appropriate adjective rating (such as high, medium, and low) that best represents the risk to the community posed by each factor. Display the results on the base map to develop a useful tool for the final decision-making process.

State and federal land managers will be a valuable resource in helping communities locate the best available data and in producing quality maps that display and aid assessment of that data. Engaging key stakeholders in the rating process will be essential to a successful outcome.

A. Fuel Hazards

To the extent practicable, evaluate the vegetative fuels on federal and nonfederal land within or near the community. Identify specific areas where the condition of vegetative fuels is such that, if ignited, they would pose a significant threat to the community or essential community infrastructure. Consider how the local topography (such as slope, aspect, and elevation) may affect potential fire behavior.

Identify areas affected by windthrow, ice storms, or insect and disease epidemics where fuels treatment would reduce wildfire risks to communities and/or their essential infrastructure.

State and federal resource planning documents can be a valuable source of information on local forest and rangeland conditions.

Rate each area of identified hazardous fuels and show each on the base map as a high, medium, or low threat to the community.

B. Risk of Wildfire Occurrence

Using historical data and local knowledge, determine the common causes and relative frequency of wildfires in the vicinity of the community. Consider the range of factors, including critical weather patterns, that may contribute to the probability of fire ignitions and/or extreme fire behavior.

Use relative ratings such as high, medium, and low to show areas of concern for fire starts on the base map.

C. Homes, Businesses, and Essential Infrastructure at Risk

Assess the vulnerability of structures within the community to ignition from firebrands, radiation, and convection. Document areas of concern.

Identify specific human improvements within or adjacent to the community, such as homes, businesses, and essential infrastructure (e.g., escape routes, municipal water supply structures, and major power and communication lines) that would be adversely impacted by wildfire.

Categorize all identified areas needing protection using ratings of high, medium, or low, and show them on the base map.

D. Other Community Values at Risk

At the community's option, the risk assessment may also consider other areas of community importance, such as critical wildlife habitat; significant recreation and scenic areas; and landscapes of historical, economic, or cultural value that would benefit from treatment to reduce wildfire risks. Additional recommendations from local stakeholders should be incorporated as appropriate.

Categorize all identified areas that warrant protection using the ratings of high, medium, or low, and show them on the base map.

E. Local Preparedness and Firefighting Capability

Assess the level of the community's emergency preparedness, including evacuation planning, safety zones, and fire assistance agreements, as well as the response capability of community and cooperator fire protection forces. Consider the insurance industry ISO rating, if available and applicable. Use the knowledge and experience of local officials to identify areas in need of improvement.

Incorporate local preparedness information into the base map as appropriate.

✔ STEP SIX: Establish Community Hazard Reduction Priorities and Recommendations to Reduce Structural Ignitability

Once the community assessment and base map are completed, the core team should convene all interested parties to discuss the results and their implications for local protection and hazard mitigation needs. A key objective of these discussions is to develop the community's prioritized recommendations for fuel treatment projects on federal and nonfederal lands in the WUI, along with the preferred treatment methods for those projects.

Recommendations should also be developed regarding actions that individuals and the community can take to reduce the ignitability of homes and other structures in the community's WUI zone.

While local interests are gathered, communities may also want to take this opportunity to identify and develop strategies to improve their emergency preparedness and fire response capability.

The discussion and identification of community priorities should be as open and collaborative as possible. Diverse community involvement at this stage is critical to the ultimate success of the CWPP.

Recommendations included in the final CWPP should clearly indicate whether priority projects primarily serve to protect the community and its essential infrastructure or are geared toward reducing risks to the other community values. Under the provisions of the HFRA, only projects that primarily serve to protect communities and essential infrastructure are eligible for the minimum 50 percent WUI funding specified in the legislation.

✔ STEP SEVEN: Develop an Action Plan and Assessment Strategy

Before finalizing the CWPP, core team members and key community partners should consider developing an action plan that identifies roles and responsibilities, funding needs, and timetables for carrying out the highest priority projects.

Additional consideration should be given to establishing an assessment strategy for the CWPP to ensure that the document maintains its relevance and effectiveness over the long term.[4]

✔ STEP EIGHT: Finalize the Community Wildfire Protection Plan[5]

The final step in developing a CWPP is for the core team to reconvene and mutually agree on the fuels treatment priorities, preferred methods for fuels treatment projects, the location of the wildland-urban interface, structural ignitability recommendations, and other information and actions to be contained in the final document.

If an associated action plan has not been developed, the core team should identify a strategy for communicating the results of the planning process to community members and key land management partners in a timely manner.

[4] Community planning participants may also want to participate in multiparty monitoring of USFS and BLM projects developed under the HFRA as provided for in Sec.102 (g)(5) of the legislation: "In an area where significant interest is expressed in multiparty monitoring, the Secretary shall establish a multiparty monitoring, evaluation, and accountability process in order to assess the positive or negative ecological and social effects of authorized hazardous fuels reductions projects."

[5] Some states have statutes that may require an environmental analysis for plans adopted by local or state agencies. In such states, core team members should determine whether formal environmental analysis is required before finalizing their plans.

Summary and Checklist

✔ **Step One:** Convene Decisionmakers
- Form a core team made up of representatives from the appropriate local governments, local fire authority, and state agency responsible for forest management.

✔ **Step Two:** Involve Federal Agencies
- Identify and engage local representatives of the USFS and BLM.
- Contact and involve other land management agencies as appropriate.

✔ **Step Three:** Engage Interested Parties
- Contact and encourage active involvement in plan development from a broad range of interested organizations and stakeholders.

✔ **Step Four:** Establish a Community Base Map
- Work with partners to establish a baseline map of the community that defines the community's WUI and displays inhabited areas at risk, forested areas that contain critical human infrastructure, and forest areas at risk for large-scale fire disturbance.

✔ **Step Five:** Develop a Community Risk Assessment
- Work with partners to develop a community risk assessment that considers fuel hazards; risk of wildfire occurrence; homes, businesses, and essential infrastructure at risk; other community values at risk; and local preparedness capability.
- Rate the level of risk for each factor and incorporate into the base map as appropriate.

✔ **Step Six**: Establish Community Priorities and Recommendations
- Use the base map and community risk assessment to facilitate a collaborative community discussion that leads to the identification of local priorities for fuel treatment, reducing structural ignitability, and other issues of interest, such as improving fire response capability.
- Clearly indicate whether priority projects are directly related to protection of communities and essential infrastructure or to reducing wildfire risks to other community values.

✔ **Step Seven:** Develop an Action Plan and Assessment Strategy
- Consider developing a detailed implementation strategy to accompany the CWPP, as well as a monitoring plan that will ensure its long-term success.

✔ **Step Eight:** Finalize Community Wildfire Protection Plan
- Finalize the CWPP and communicate the results to community and key partners.

Sponsor Organizations

Communities Committee of the Seventh American Forest Congress
www.communitiescommittee.org
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Columbia Falls, MT 59912
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National Association of Counties
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Phone: (202) 393-6226
Fax: (202) 393-2630

National Association of State Foresters
www.stateforesters.org
444 N. Capitol St., NW Suite 540
Washington, DC 20001
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Fax: (202) 624-5407

Society of American Foresters
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5400 Grosvenor Lane
Bethesda, MD 20814-2198
Phone: (301) 897-8720
Fax: (301) 897-3690

Western Governors' Association
www.westgov.org
1515 Cleveland Place
Suite 200
Denver, CO 80202-5114
Phone: (303) 623-9378
Fax: (303) 534-7309

For an electronic version of this Handbook and the latest information visit:
www.safnet.org/policyandpress/cwpp.cfm

Additional Resources on the Web:

- Federal Agency Implementation Guidance for the Healthy Forest Initiative and the Healthy Forest Restoration Act: www.fs.fed.us/projects/hfi/field-guide/
- Field Guidance for Identifying and Prioritizing Communities at Risk: www.stateforesters.org/reports/COMMUNITIESATRISKFG.pdf
- The National Fire Plan: www.fireplan.gov
- Fire Safe Councils: www.firesafecouncil.org
- Western Governors Association: www.westgov.org
- Collaboration:
  www.redlodgeclearinghouse.org
  www.snre.umich.edu/emi/lessons/index.htm

Examples of Community Fire Plans

(Note: these plans may not meet the requirements of HFRA, because they were created prior to its enactment)

Josephine County, Oregon: www.co.josephine.or.us/wildfire/index.htm

Applegate Fire Plan: www.grayback.com/applegate-valley/fireplan/index.asp

Colorado Springs, CO: csfd.springsgov.com/wildfiremitigation.pdf

Jefferson County, Colorado: www.co.jefferson.co.us/ext/dpt/admin_svcs/emergmgmt/index.htm

Lower Mattole Fire Plan: www.mattole.org/html/publications_publication_2.html

Trinity County Fire Management Plan: users.snowcrest.net/tcrcd/

Want to help protect your community from wildfire risk?

Check out this *NEW* Handbook
for preparing community wildfire protection plans!

Communities Committee

Society of American Foresters
5400 Grosvenor Lane
Bethesda, Maryland 20814-2198
www.safnet.org

Implementation of the Healthy Forests Restoration Act and Community Wildfire Protection Plans

Testimony by Carol Daly, President, Communities Committee and Member, Society of American Foresters
Subcommittee on Forestry, Conservation, and Rural Revitalization
Senate Agriculture, Nutrition, and Forestry
June 24, 2004

Mr. Chairman and members of the Subcommittee, I am Carol Daly, representing the Communities Committee and the Society of American Foresters. The Communities Committee grew out of the Seventh American Forest Congress and is driven by the recognition that there is a vital interdependence between the nation's forests and communities. The Committee and its constituents work to increase the stewardship role for local communities in restoring and maintaining the integrity and biodiversity of their forest ecosystems, thereby enhancing both community well-being and the long-term sustainability of our forests – public and private, urban and rural.

While the issue on which I am to testify about today is focused around community planning and collaboration, it has far reaching forest management implications. Thus I am representing not only the Communities Committee but am also representing the views of the Society of American Foresters, professional foresters who have a deep commitment to stewardship of our forest resources and working with communities to maintain and improve their forest resources. The Society of American Foresters (SAF) represents over 16,000 forestry professionals in all sectors of the profession. SAF members pledge to use their conservation ethic to ensure the continued health and use of forest ecosystems and the present and future availability of forest resources to benefit society.

The Healthy Forests Restoration Act (HFRA) gives professional forest managers, community forestry practitioners, landowners, and federal, tribal, state, and local governments a variety of new tools to use in addressing hazardous fuels reduction and forest restoration needs on national forests and nearby private lands. Today I would like to address one of these tools, the Community Wildfire Protection Plan (CWPP) process and the opportunities and challenges it presents as we move forward in implementing HFRA.

Preparing a Community Wildfire Protection Plan (CWPP). To help communities participate fully in HFRA's benefits, SAF and the Communities Committee, together with the National Association of Counties, the National Association of State Foresters, and the Western Governors' Association, recently wrote and published *Preparing a Community Wildfire Protection Plan: A Handbook for Wildland-Urban Interface Communities.*

Ideally, the creation of a CWPP draws together forestry professionals, local governments, fire departments, and other concerned agencies, groups, and individuals to collaboratively identify

areas at risk of wildfire and develop an action plan for reducing those risks. Some benefits we see in the process are that:

- Existing scientific information, experience, and local (indigenous) knowledge can be brought to the table.
- All participants learn more about the forests around them as they define the community's wildland-urban interface (WUI) and assess its wildfire risks. This greater awareness and understanding can then result in better informed perspectives on forest management in general.
- Residents of the WUI find out what they can do in constructing or retrofitting their homes and maintaining their properties to lessen the risk of loss to wildfire
- The setting of fuels treatment priorities for both federal and non-federal lands is done only after an open and inclusive community discussion of the options.
- The CWPP action strategy covers all land ownerships, both public and private, and responsibilities for implementation are appropriately distributed.
- There is an opportunity for a multiparty monitoring process to help ensure that the effects of the plan's implementation, including specific results on the ground, are carefully evaluated and needed improvements identified.

Planning issues needing further consideration. Collaborative planning is the heart of the CWPP process, yet in this (as in other recent forest-related legislation) mandates for collaboration are not backed up with financial and technical support. Local governments, fire departments, and state forestry agencies – the decision makers in the CWPP process – generally have little or no experience in collaborative processes. It therefore falls to community-based forestry groups (like the one I staff) or other non-governmental organizations to organize and facilitate the collaboration. Lacking HFRA, National Fire Plan, stewardship contracting, or other federal support for that work, it is necessary for us to seek funding from foundations or other private sources to pay for it. Such funders, however, are increasingly reluctant to pay for the facilitation of federal programs, arguing that they should be the government's funding responsibility. As critical as collaboration is to the success of HFRA, it should no longer be left an unfunded mandate. We are appreciative of the House's efforts to set aside $5 million in the FY 2005 Interior Appropriations Bill to cost share with communities for community wildfire protection plans. We hope the Senate will consider similar action.

Overall, there is a need for all entities involved in implementing HFRA and developing CWPPs, including federal, state, and local governments, state agencies, professional foresters, and community leaders, to gain a better working knowledge of collaborative processes. This will enhance their effectiveness as they move forward, working together to fund and carry out HFRA projects.

In addition to the issues mentioned above, there is also a need for better information and technical assistance to enable communities to participate in HFRA activities. The handbook prepared by SAF, the Communities Committee and our co-sponsors has been widely distributed in hard copy through our various networks and is available on many websites, but it alone is not enough. Some

options for building wider public awareness include direct informational mailings from the relevant federal and state agency offices to stakeholders in their areas, press releases, CWPP training workshops, and other appropriate tools. Local SAF chapters, community forestry groups, and others can be valuable partners in such efforts. We need to give particular attention to poorer or low capacity communities (those lacking adequate technical or financial resources). Otherwise they face a double-barreled threat: without a CWPP and proactive risk reduction strategy in operation, they are more vulnerable to wildfire losses, plus, should they have a severe wildfire, their ability to recover from it is less than that of a higher capacity community. It is in these communities where the leadership of government agencies, professional foresters, community practitioners, and interested stakeholders is critical and should be fostered.

When a collaborative process *is* begun and communities study local forest stand conditions, watersheds, threatened and endangered species, and other critical resources, they are almost certain to identify the need for ecosystem management and restoration work which goes beyond hazardous fuels treatment. CWPP planning should not be a process in isolation, but should feed into other relevant federal, state, and local planning activities.

Carrying out a CWPP. When possible, HFRA projects on public lands should be conducted in coordination with similar projects on adjacent private lands, including those funded under the National Fire Plan. This not only results in more consistent and effective treatments, but also may minimize the number of entries required, simplify issues of access across private lands, and reduce total implementation costs. The ability to expedite environmental analysis of HFRA projects should make it possible to improve project timing.

Over-reliance on the stewardship contracting mechanism to fund HFRA projects to implement CWPPs should be avoided. While some hazardous fuels treatment activities will yield saleable products that can be exchanged to cover all or a significant part of the treatment services being provided, many will not. Until more or larger markets are created for what are now low- or no-value materials, adequate direct funding for HFRA on both federal and non-federal lands is essential.

The increase in hazardous fuels reduction contracting opportunities arising from HFRA and the National Fire Plan has encouraged new contractors specializing in such work to enter the field, while at the same time many existing forestry or logging contractors are re-focusing their operations and investing in equipment suited to this growing market niche. On public lands projects, the transition has not always gone smoothly. For example, the Forest Service's normal cruising practices still tend to focus on commercial materials, and the estimated amount of small diameter, low-value material to be removed has been greatly understated in some bid offerings, leading to large financial losses for contractors who relied on the accuracy of those figures. Bonding requirements and contracting processes that worked well on traditional timber sales also need to be revisited in the context of HFRA.

Monitoring and evaluating progress. Section 102(g)(5) of HFRA directs the Forest Service and BLM to establish a collaborative multiparty monitoring, evaluation, and accountability process for projects "where significant interest is expressed" to "assess the positive or negative

ecological and social effects of authorized hazardous fuel reduction projects." These monitoring activities will be an important factor in proving the value of the program and allaying existing reservations about HFRA's intent and impact. Expeditiously gathering the "lessons learned" from early projects, identifying both successes and problem areas, and using the information for adaptive management, for improving future projects, will be highly valuable. Congress wisely included a provision for operational funding for these monitoring activities, and provided that the agencies could enter into cooperative agreements or contracts with, or provide grants to, "small or micro-businesses, cooperatives, nonprofit organizations, Youth Conservation Corps work crews, or related State, local, and other non-Federal conservation corps" to collect monitoring data.

The joint Forest Service/BLM interim field guide for HFRA implementation has added a requirement that "multiparty monitoring will be subject to available funding and the ability of stakeholders to contribute funds or in-kind services." The Wildland Fire Leadership Council's proposed monitoring protocol goes even further and requires that stakeholders wishing to participate should have "appropriate skills and knowledge for monitoring" and "must be willing to share costs." Such requirements could be used to limit or discourage multiparty participation and would defeat the purpose of this important component of HFRA.

Final thoughts. HFRA is essentially a very large pilot project with respect to many of the new tools for hazardous fuels reduction in Title I. It is still very much a work in progress and will take time and leadership from all involved, including Congress, all levels of government, professional foresters, community practitioners, and concerned stakeholders to make it a success. Some of its provisions were able to be implemented immediately and are already producing results. Others are just beginning to be tested in action. We urge that adequate time be allowed for a full exploration of the Act's potential, and encourage Congress meanwhile to continue its strong commitment to and funding for HFRA.

While we are supportive of the increased emphasis through HFRA and the Healthy Forests Initiative on forest health and wildfire risk reduction, there is still a need for greater reforms within the federal agencies to address the need for better, more comprehensive management and restoration of our forests. Building on the concept of partnerships and community involvement in HFRA, we, as a nation, need to continuously seek opportunities to manage our forests comprehensively, meaning across ownerships within watersheds and ecosystems. CWPPs begin to create this comprehensive approach, and we urge similar partnerships and collaborations for forest management and restoration across the country, not just in fire-prone forests.

Both the Communities Committee and SAF would be happy to work with the Congress, the Forest Service, BLM, and others as appropriate, to help address the issues we have raised today.

Thank you for your kind attention.

Prepared Statement for the Record

Of

Jim Crouch
Jim Crouch & Associates

On Behalf of Ouachita Timber Purchasers Group, Ozark-St. Francis Renewable Resource Council, and the Lake States Federal Timber Purchasers Group

Before the United States Senate

Agriculture Subcommittee on Forestry, Conservation, and Rural Revitalization

June 24, 2004

INTRODUCTION

Good morning Mr. Chairman. My name is Jim Crouch. I am the owner of Jim Crouch and Associates, a small forestry consulting business in Russellville, AR. We are specialists in *"industry – government affairs."* I have owned and operated this business for 15 years. Prior to 1987, I was a career U.S. Forest Service employee for more than 26 years. I was the Forest Supervisor of the Ozark-St. Francis National Forests in Arkansas for 8 of these years. Dad was a forestry technician with the U.S. Forest Service in Mississippi for over 20 years, so I understand both the agency and forest industry. My testimony today is on behalf of the Ouachita Timber Purchasers Group, the Ozark-St. Francis Renewable Resource Council, and the Lake States Federal Timber Purchasers Committee. These groups are comprised of a broad array of forest product companies that buy and process standing trees from the national forests into many products for use by people worldwide. These companies range in size from "mom and pop" operations with a handful of employees to vast far flung multi-national companies with thousands of employees worldwide. In 2002, the U.S. forest products industry had sales of over $213.2 billion and employed 1.7 million people.

I want to thank the members of this Committee and the Congress for passing the Healthy Forest Restoration Act of 2003. This legislation if properly funded and embraced by the agencies along with the President's Healthy Forest Initiative (HFI) will help restore the health of this nation's forests. The forest products industry has a direct interest in the management of American forestlands, both public and private. We support viable communities and the social and economic benefits that accrue from using the wood fiber that must be removed as a part of improving our forests' health. We also strongly support the important environmental values – clean air, clean water, and quality wildlife/fish habitat – that are associated with healthy forests.

BACKGROUND

I am here today because our federal lands are unhealthy. The insect and disease epidemics and the fires that we are seeing are clearly beyond the historical range. Federal land managers are no longer able to actively manage our forests to address these problems.

The impacts of passive management are far-reaching: loss of lives and homes, displacement of communities, loss of tourism dollars, destruction of wildlife habitat and watersheds, expatriated endangered species, and destruction of timber and non-timber resources.

Our forest health crisis is not simply about catastrophic wildfires. Insect and disease outbreaks are also devastating forests around the country, such as the Daniel Boone National Forest in Kentucky, which experienced Southern pine beetle outbreaks over the last several years. In this case, efforts to control the spread of the beetle were delayed by excessive paperwork and appeals, allowing the devastation to spread quickly. More than 100,000 acres of shortleaf pine forest, which were home to the federally endangered red cockaded woodpecker, were lost to beetle damage. The woodpeckers were captured by biologists and expatriated to the national forests in Arkansas and Texas.

The red oak borer, a one-inch long beetle, has destroyed more than $1 billion worth of red oak trees in the Ozark Mountains of Arkansas and Missouri. Since 1999, red oak borers have killed 50 million trees on 300,000 acres in the Ozark National Forest alone. Nature rather than man is now harvesting these forests. Prior to 1999, the Forest Service spent millions of taxpayer dollars protecting and culturing these forests into an extremely valuable mature oak forest that supported many species of fauna and flora, a strong regional forest based economy, and many other important forest values. Today, these acres are covered with thousands and thousands of tons of dead heavy fuel along with a rapidly changing ecosystem with a different set of fauna and flora. Gone are the magnificent oak forests!

These insect and disease epidemics and the wildfires are merely symptoms of deeper, underlying problems. The fact is our national forests are poorly managed. Many would argue that they are no longer sustainable. They are typically mature, overstocked, with mortality far exceeding current harvest levels with increasingly higher risk of fire and insect attacks. But there is ample evidence that well-designed forest management strategies can help. The strategies must recognize that mechanical treatments, with removal of trees of all sizes, will be an integral part of the solution. The money spent on these treatments is money well spent. On a national scale, the costs of preventative work through treating forests with high risks of wildfire and insects and disease will likely be much less than the enormous cumulative costs of suppression of catastrophic events and the essential restoration effort that must follow. The companies that I represent firmly believe that active management, based on sound science and implemented through local decision making, are necessary to restore the health of our public lands

HEALTHY FOREST RESTORATION ACT OF 2003

The Healthy Forest Restoration Act of 2003 (HFRA) represents a bold acknowledgement by Congress and the President that our federal forests are truly in a crisis and urgent active management is essential. If HFRA is to make a real difference in the health of our forests several things must happen.

1 Congress must fund the work authorized in the legislation. To merely expect the Administration to implement HFRA by redirecting current funds is not logical. The current level of funding provides for less than 50% of the work needed to put current forest plans on the ground.

2 The Forest Service and BLM must promptly embrace the new tools and get projects underway on thousands of acres.

3 The Administration and Congress must recognize the critical role that the forest products industry plays in forest health and take the necessary steps to retain existing industry infrastructure. Our industry has a long track record of efficiently removing and processing forest vegetation whether it is sawlogs or biomass while protecting the important values of the forest.

In my business, I work closely with many national forests in the South and the Lake States. I discuss HFRA, the Healthy Forest Initiative, and the status and challenges of their vegetation management/forest health programs with Forest Service employees at the District, the Forest, and the Regional Offices on a regular basis. As past Chairman and current member of the Federal Timber Purchasers Group, I am actively involved with other industry and agency people throughout the country and in the Washington Office.

I find many dedicated, hard working, and highly skilled agency managers and specialists at all levels of the agency. These people know how to keep the forest healthy and productive but they are terribly frustrated. Gridlock caused by appeals and litigation, high unit costs, and limited budgets prevent them from carrying out their approved forest plans.

Most forests are operating under forest plans approved in the late 1980s. The monitoring reports prepared by the Forest Supervisors for these plans generally show that forests have accomplished less than half of the planned vegetative management work. This has resulted in forests that are overstocked with all size trees with mortality typically exceeding harvest by a factor of 2 or 3. Insects, disease, and fire are now the chief agents impacting the forest.

Forest managers tell me that nearly half of their cost of preparing a timber sale goes to prepare documents required by the National Environmental Policy Act. Even after this level of expenditure, documents are still not "bullet proof." Appeals and litigation frequently halt the proposed sale or cause long delays.

This morning, I will limit my comments to Title I and IV of the HFRA.

TITLE I

Title I of the HFRA provides for hazardous fuel reduction on certain federal lands for projects consistent with the Implementation Plan. Approved treatments include prescribe burning and mechanical thinning. An EA or EIS is required for each authorized project. This legislation reduces the number of required alternatives that the agency must analyze but adds a stiffer requirement for public involvement called collaboration. The revised administrative review process saves some time by occurring before the decision approving authorized fuel reduction projects under this act. These projects are subject to judicial review only in the U.S. district court in which the land to be treated is located. This should minimize filings in Washington, D.C. or a Regional headquarters town which could halt many projects over widespread areas for lengthy periods of time. The court reviewing the project shall balance the impact to the ecosystem of undertaking the project vs. the effects of no action.

While there is significant help in this title for the land manager, I believe the field at this point sees it mostly as "a wash." It provides a little help here and a little there, but no "home runs." To make a significant difference in forest plan implementation (forest health), there must be "quantum leaps!" Unless the agencies embrace the Community Wildfire Protection Plan idea and it becomes the "quantum leap," then it doesn't happen in this title.

The agency emphasis within hazardous fuel reduction programs is mostly on prescribed burning because of the relatively low unit cost and the political pressure to show progress by getting acres. In a simplistic way one might describe prescribed burning as a tool typically used to reduce the amount of light fuels in a stand by killing vegetation with small diameter stems and consuming limbs and grass on the forest floor. Prescribe burning is not an acceptable tool for treating the millions of acres of bug killed timber throughout the national forest system that is just one lightening strike or ignited match away from becoming a major conflagration which destroys homes, watersheds, endangered species, and other valuable forest resources. Nor is it an acceptable tool for treating the millions of acres of dense overstocked stands of all age classes that must be thinned if they are to remain/become healthy and escape almost certain death from attacks by insects and disease as their vigor declines. Many of these acres are suitable for thinning using commercial timber sales and could be treated at a very favorable cost to the agency.

It is very hard for me to understand why the Administration and Congress places such strong emphasis on treating through prescribe burning the brush and young stands which have to date received minimal taxpayer investment and have little commercial value while letting nature thin/harvest the overstocked more mature stands that represent major taxpayer investments over many years and have substantial commercial value. The emphasis, we believe must focus on the more valuable overstocked older stands with considerable investment which are at high risk for catastrophic fire, bug, or disease attacks. I urge Congress and the Administration to require of the agencies a more balanced approach which retains prescribed burning while substantially increasing

mechanical thinning including commercial sales as a way of reducing hazardous fuels and improving forest health. In many places, mechanical thinning should be cost competitive with prescribed burning.

I believe the agency line leadership must make these hard decisions rather than leaving them to their fire shops. Culturally, it is almost too much to expect a fire breathing fire staff officer at any level in the organization to recommend to the line manager that fire dollars appropriated by Congress for the National Fire Plan be given to the timber shop to mechanically thin overstocked stands of poletimber and sawtimber. Yet this is precisely what the National Fire Plan envisioned by including "mechanical thinning" as an approved method for treating hazardous fuels. The President's FY 05 Budget proposal to move hazardous fuel treatment funding to the National Forest System would improve implementation of the program.

TITLE IV

Title IV has the potential to help forest managers in areas of the country under attack from major insect infestations and related diseases. In the South more than 57,000,000 acres of forests are at high risk from insect and disease. The emerald ash borer, a nonnative, invasive pest, threatens to destroy more than 692,000,000 ash trees in Michigan and Ohio alone, and between 5 and 10 percent of the urban street trees in the Upper Midwest. I have already mentioned the red oak borer that is ravaging the Central Hardwood forests.

This title provides for expediting applied large scale silvicultural assessments through categorical exclusions on federal lands in areas without extraordinary circumstances. These joint assessments by Forest Service research, Universities, and national forests can provide much needed information on infestation prevention and suppression, restoration of affected forest ecosystems, and options for using infested trees. They ultimately will help managers develop treatments and strategies for reducing the susceptibility of forest ecosystems to severe infestations of insects and disease.

In the Arkansas, the Forest Service is aggressively putting together study plans for silvicultural assessments in the areas heavily infested with the Southern pine beetle and the red oak borer. Existing appropriated funds were diverted from other important research to get these efforts started.

ECONOMIC IMPACTS

In addition too social and environmental impacts there are economic consequences to agency decisions. As the health of the national forests declined and programs collapsed, forest dependent communities and industries have also suffered. According to the Pulp and Paper Resource Council's 2003 statistics 77 mills in the three Lake States (MN, WI, and MI) have closed or made major adjustments adversely affecting employees and the regional economies. In Missouri 11 mills were impacted and in Arkansas 15.

In Minnesota for example, the Forest Service has proposed to add hurt to hurt by cutting the amount of stumpage that the Chippewa and Superior National Forests can offer by 25%. Today mills in close proximity to these two forests already import much of their furnish from Saskatchewan and other Canadian provinces. All this is happening at a time when the Chippewa and Superior are experiencing major health problems from over stocked over mature stands that are receiving little active management. Doesn't make sense does it?

CONCLUSIONS

In closing, I again thank you and your colleagues for passage of this very important piece of forest legislation. Recognizing the necessary constraints on new money for domestic programs, I strongly urge you and the Administration to work together to fund the real priorities in this legislation. It is simply not enough to divert existing appropriated dollars to HFI and HFRA projects. The combined efforts of existing programs and the new emphasis brought by HFI and HFRA must be additive. The Forest Service in its budget proposal for FY 05 showed negligible reductions in the unit costs for preparing commercial timber sales. I believe that with the "new tools" provided by HFI and HFRA unit cost should drop!

Since 1905, we as a Nation have invested billions of taxpayer dollars to purchase cutover and abused forest and agricultural lands (the lands nobody wanted), to reforest them, and to nurture the young trees into today's pristine national forests of the South and the Lake States. Many of these forests are severely overstocked from lack of active management, are approaching biological maturity, and are become extremely stressed during periods of prolonged drought making them highly susceptible to stand replacing attacks from insects and disease and often fire. We as a Nation must not allow insects and disease to harvest our vast eastern forests. I urge the agencies to make active management including thinning and regeneration harvests a top priority. Use the options available in the National Fire Plan to mechanically thin these stands before they are lost!

Thank You. I'll be glad to answer questions.

TESTIMONY OF
TOM PARTIN, PRESIDENT
AMERICAN FOREST RESOURCE COUNCIL

BEFORE THE
SUBCOMMITTEE ON FORESTRY, CONSERVATION AND RURAL REVITALIZATION
AGRICULTURE, NUTRITION AND FORESTRY COMMITTEE
UNITED STATES SENATE

JUNE 24, 2004

Good Morning, Mr. Chairman and Members of the Committee. My name is Tom Partin and I am the President of the American Forest Resource Council (AFRC). The American Forest Resource Council, based in Portland, Oregon, represents nearly 90 wood products manufacturers and forest landowners located in twelve states west of the Great Lakes. Our mission is to promote balanced and sustained management of our nation's public and private forests including a consistent and predictable flow of raw materials from all forests. Many of our members depend on the federal forests for a portion of the raw material they need to operate. Furthermore, many of our members own forest land that is near or adjacent to federal forests. Unfortunately, insects, disease and wildfires do not recognize property boundaries. Many of our members are located in small rural communities throughout the west, and these wood products facilities provide the economic backbone that makes these rural communities thrive. These rural communities are only as healthy as the forest products industry located in them, and the forests surrounding them. Unfortunately, during the past several decades both the forests and forest products industry have suffered due to lack of adequate forest management, and that has negatively impacted many of our forest dependent rural communities.

The topic of today's hearing is the implementation of the Healthy Forests Restoration Act of 2003, which was signed into law on December 3, 2003. HFRA is the most comprehensive forestry legislation enacted in the last 30 years, and we believe it has the necessary authorities to address a portion of the extreme forest health crisis now occurring throughout our nation's forests. AFRC worked very hard with members of congress to help get this legislation passed because we believe it is the answer to finally getting some needed treatment on the forested landscape that has been decimated by fires and insects and disease. The Bitterroot Fires in Montana, the Rodeo-Chediski fire in Arizona, the Biscuit Fire in Oregon, and the San Bernardino fires in Southern California point out that this is a national crisis not isolated to one area.

For decades federal land managers have been struggling with how to manage the forests while complying with complicated National Environmental Policy Act regulations, a judicial process that favors intervention rather than project implementation, drought

conditions that have taken their toll on the overcrowded forests, and analysis paralysis that favors planning over action. The result of these conflicting constraints and interests has put our nation's public and private forest lands in serious jeopardy to destruction by wildfire, insects, disease, and blowdown. We believe that HFRA did a good job of identifying the current forest health problems and providing a vision on how to deal with the obstacles facing our forest managers.

As I mentioned, our forest health problems have been evolving over several decades, and it is only reasonable to assume that it is going to take a significant amount of time to remedy the crisis facing our forests. The Forest Service and BLM are playing a game of catch-up, and HFRA allows the agencies to focus on the highest priority areas first, primarily around the wildland urban interface, areas sensitive to endangered species, or where windthrow, blowdown, or other insects and disease pose a threat to forest or rangeland health. The members of AFRC realize that this process of reclaiming our forests and restoring their health is a long term undertaking, but we believe it is the only option that satisfies the needs of the forests, the needs of the public, and provides the clean water, clean air, and wildlife we have come to expect from our nation's forests.

The 2004 fire season is just getting underway, and Forest Service Chief, Dale Bosworth has assessed it as being as severe as the 2002 fire season during which over 7 million forested acres nationwide burned. This all too familiar trend of one bad fire season after another exemplifies why the membership of AFRC so strongly supports the HFRA legislation, and the work that needs to be done to fireproof our forests. With this grim fire forecast, AFRC believes in, and has promoted, the rapid implementation of HFRA using some of the new authorities granted to the Forest Service and BLM. Further, as a follow-up to this important task, AFRC will be keenly watching the agencies aggressiveness, effectiveness and willingness to implement HFRA projects. In particular AFRC is closely following:

1. The number of acres that will be treated in fuels reduction projects in this fiscal year and in 2005.
2. How the agencies are engaging in and supporting community-based fuels reduction projects in the Wildland Urban Interface.
3. If the agencies are utilizing the new expedited environmental analysis processes which requires that only two alternatives be discussed.
4. If expedited judicial review procedures are being followed and implemented properly including the use of the balance of harms provision.
5. How aggressively the agencies use the new stewardship and categorical exclusion authorities and opportunities.
6. How the agencies implement the biomass provisions in the bill, and accomplish the removal of fuels from the forests to facilities that can utilize them.
7. How successful the implementation of the proposed 1000 acre study areas to review new treatments for insect infestations and disease has been.

The Healthy Forests Restoration Act only targets 20 million acres of the 190 million acres identified at risk from wildfire, insects and disease. The Forest Service and BLM

are now only treating about two million acres per year in forest health efforts. This effort must intensify, but it must be done properly. Projects that are hurried, and don't have the proper planning and oversight will only end up in the court system and will never yield results on the ground. AFRC believes that to avoid implementation problems a thorough understanding and commitment to the Healthy Forests Restoration Act by agency personnel is a key component of future successes.

Broad support for HFRA has come from the general public and particularly communities at risk to wildfire. AFRC and our members are working with a number of these communities in the preparation of community-based wildfire protection plans. These plans are developed on the local scale and treat local problems. For the most part these plans have broad community support, are less likely to be appealed and have the ability to treat a larger landscape. The community-based wildfire protection fire plans are essential for HFRA to be effective.

I would like to switch gears at this point and talk about what has happened rather than what should happen regarding the implementation of HFRA since its signing six short months ago.

The success of any new program or authority is driven to a large degree by the attitude of those people doing the implementation. It has been the observation of the AFRC staff that a new and welcomed "can-do" attitude is taking place within the agencies when it comes to implementation of HFRA and accomplishing fuels reduction and forest health projects. I believe this attitude may have been molded when all of the Forest Supervisors signed a pledge to Chief of the Forest Service Dale Bosworth earlier this year that they would help implement HFRA. It should also be noted that the Forest Service and BLM are still operating under the 2004 budget which has not been increased since HFRA implementation, and any changes to existing programs and projects have been done with existing funding.

Some new HFRA related efforts currently under way on most forests include:

- Identifying at-risk watersheds that most need fuels treatments
- Construction of new fire condition class maps for location of priority projects
- Identification of high risk Wildland Urban Interface areas
- Developing up to date Insect and Disease overlays
- The use of Title 3 Funds to assist in developing a community-based fire plan
- Reviewing and providing technical support in developing Community-based fire plans

In addition to the passage of the Healthy Forests Restoration Act, some additional new authorities have been given to the Forest Service and BLM that will assist in the implementation of HFRA. I believe that a discussion of how effective and useful these new authorities have been should be part of the HFRA discussion as well.

I mentioned earlier several of the large fires that have occurred during the past three summers in which millions of acres of forestland were burned. This spring on several of

the salvage projects in Oregon, Regional Forester Linda Goodman issued an emergency determination to salvage the timber and capture the value of the wood before it completely deteriorated. The removal of this wood not only adds needed sawlog volume to sawmills starved for wood, but it also removes tons of fiber from the forest that otherwise would fall over and create an additional risk of fire. We strongly support the Forest Service for making the emergency determinations request, and we suggest that it be used more broadly.

Additionally we are seeing the agencies doing a better job of more rapidly performing NEPA work on timber stands at risk. Two examples of these expedited projects include the fuels treatment and rehabilitation of the Togo fire which burned last August on the Colville National Forest. The fire was controlled in September of 2003, and by mid-December fuels reduction and rehabilitation efforts were underway. The Davis project on the Deschutes National Forest would rehabilitate a large area that was burned last July and is scheduled for implementation this August. Both of these projects exemplify a strong desire to quickly treat forest health problems, and the members of AFRC appreciate the efforts.

CONCLUSION

Mr. Chairman, the Healthy Restoration Act of 2003 has given the Forest Service and BLM the needed tools and authorities to treat our forests at risk to wildfire, insects and disease. This authority is not a panacea or a cure-all for our unhealthy forests nor is it intended to take the place of the regular green sale timber program. It is intended to provide an expedited approach for treating twenty million acres of federal forest that are the most at risk.

The effective implementation of these new authorities will require an immediate buy-in by agency staff, some creative thinking on how and where to best implement projects, and cooperation from at-risk communities in the development of community based fire plans. We are also hopeful that the FY'05 budgets for the Forest Service and BLM will include adequate funding to make this an effective program.

To date, we are pleased with the new attitude of the agencies, the new focus on planning projects in areas most at-risk, and how the agencies are using other authorities in conjunction with HFRA to accomplish wildfire protection and rehabilitation. For this effort AFRC gives our forest management agencies a B+. We are also pleased with how at-risk communities have started developing their own community-based fire plans using the template developed by a coalition of organizations earlier this year. Decades of forest fuels and biomass accumulation dictates the need for rapid forest health treatments, and with the prediction of another extreme fire year, it is important that the agencies deliver on their promise to treat 20 million acres sooner than later for the sake of our forests, our communities and the forest products industry.

Mr. Chairman, I would like to thank you for the leadership you have shown on this important issue. This concludes my prepared remarks and I would be glad to answer any questions at this time.

Tom L. Partin
President

Profession: Association and Forest Industry President

Education: B.S. in Forest Management, 1975, Oregon State University, Corvallis, Oregon

Professional Organizations:
Society of American Foresters-Past District Chairman
Phi Kappa Phi
Society of Association Presidents

Experience: Tom Partin has over 30 years of experience in various Forestry and Forest Industry positions. As President, Mr. Partin is responsible for the preparation of a strategic and operating plan that reflects the needs and preferences of the membership. He is also in charge of reviewing AFRC's staffing and work assignments of the ten employees of the organization. As President, Mr. Partin must also have a thorough knowledge and understanding of his members needs, and to ensure full sharing of important and needed information. Mr. Partin is also responsible for overseeing the AFRC budget.

Mr. Partin worked for 25 years in the timber industry in positions that included forester, logging manager, resident plant manager, regional manager overseeing multiple facilities, and vice-president. He has also had experience in setting up an operation in Europe and helping to source raw materials for that business.

In Mr. Partin's role as industry vice-president, he also been very involved in various positions in the communities he lived in. He has served as county planning commission chairman, parks and recreation district chairman, and one term as mayor.

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TESTIMONY OF JAMES EARL KENNAMER
NATIONAL WILD TURKEY FEDERATION

BEFORE THE:

UNITED STATES SENATE, COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY
SUBCOMMITTEE ON FORESTRY, CONSERVATION AND RURAL REVITALIZATION

CONCERNING:
IMPLEMENTATION OF THE HEALTHY FOREST RESTORATION ACT

June 24, 2004
WASHINGTON, DC

Good morning Mr. Chairman and Members of the Committee. My name is James Earl Kennamer. I am the Senior Vice President for Conservation Programs for the National Wild Turkey Federation and reside in Edgefield, South Carolina. I am a professional wildlife biologist with expertise in the management of wild turkeys and other wildlife on both public and private lands in the United States, Canada, and Mexico. I have worked for the National Wild Turkey Federation since 1980 and for the decade before that as an associate professor for wildlife biology at Auburn University.

The National Wild Turkey Federation was founded in 1973 and is dedicated to the conservation of the wild turkey and the preservation of the hunting tradition. The NWTF now has over 500,000 members in 2,100 chapters nationwide and in 8 foreign countries. Our dedicated volunteers work hand in hand with state and federal wildlife professionals to complete conservation projects to benefit the wild turkey and other wildlife.

We appreciate the opportunity to address you all on what we believe may be the most important legislation affecting our National Forests in many years. On October 29 of last year, seventeen conservation organizations representing millions of America's sportsmen submitted a letter to Senator Frist and Senator Daschle in support of the Healthy Forest Restoration Act. On December 3, 2003, the President signed the Act into law. This law:

- Strengthens public participation in developing high priority forest health projects;
- Allows Federal land management agencies to use the best science available to actively manage land under their protection, while reducing the complexity of environmental analysis;
- Encourages early public participation in project planning and provides a more effective appeals process; and
- Issues clear guidance for court action against forest health projects.

The Administration and a bipartisan majority in Congress supported the legislation and were joined by a variety of environmental conservation groups, including the National Wild Turkey Federation.

The National Wild Turkey Federation supports the implementation of the Healthy Forest Restoration Act. We are committed to working with the US Forest Service to wisely manage our National Forests and have been committed for decades.

We signed our first Memorandum of Understanding with the US Forest Service in 1987, and since then we have worked with the USFS to accomplish millions of dollars of cost-share projects to benefit wildlife habitat on our National Forests. As recently as this spring, we completed two stewardship contracts on the Francis Marion and Sumter National Forests to reduce the threat of wildland fire and improve wildlife habitat. These contracts were accomplished much faster under the new guidelines set forth in the Healthy Forest Restoration Act.

The threat of catastrophic wildfire can destroy what we have worked years to achieve. One example is in the Coronado National Forest in Arizona. Since the late 1980's we have worked with the US Forest Service, Arizona Game and Fish Department, US Department of Agriculture, US Fish and Wildlife Service and the Mexican Government to restore the Gould's subspecies of the wild turkey to these rugged southern mountains. A catastrophic wildfire could undo all this work and set us back decades.

It is estimated that over 190 million acres of Federal forests and rangelands in the lower 48 states are currently at risk of large scale insect and disease epidemics and catastrophic fire. The unnaturally high risk of catastrophic wildfires and large-scale insect and disease outbreaks place rural communities at risk and seriously threaten watersheds and fish and wildlife habitats.

The poor condition of our forests is a direct result of the lack of active forest management over the last 20 years, combined with the exclusion of fire over the last 100 years. We believe that the Healthy Forest Restoration Act will allow us to improve the health of our forests, enhance wildlife habitat, and protect rural communities.

The Healthy Forest Restoration Act provides new and better tools to the Forest Service to put prescribed fire back into the landscape, thus restoring fire dependent ecosystems and fire adapted habitats. Prescribed fires also safeguard rural communities from the ravages of catastrophic wildfire and improve the overall health of the forest. The Act also provides tools to identify insect pests and to stop infestations before they spread throughout an entire forest. Insects such as the southern pine beetle and the red oak borer would not have spread so fast nor be so widespread had the Forest Service been allowed to maintain the health of our forests over the last several decades.

To maintain a complete array of wildlife species, we must maintain a complete array of habitats and protect those habitats from the ravages of disease and wildfire. One habitat that is lacking in many of our National Forests is early successional habitat, which is characterized by young trees. Early successional habitat can be created through timber harvests and thinnings. These thinnings and harvests also create a break in the continuous fuel found on the forests so that in the event of a wildfire, the firefighters have a chance to stop it when it hits these man made breaks in the canopy.

We must remember that people have managed the land with fire for thousands of years. Many of these fire-adapted landscapes require periodic fire to maintain a healthy forest and the best wildlife habitat. Prescribed fire opens up the underbrush, allows sunlight to penetrate to the forest floor and creates the early successional habitats that are so rare on many of our forests today. Even the catastrophic fires we saw in Yellowstone in 1988, improved wildlife habitat for grazers such as elk, but this was a dangerous and expensive way to create wildlife habitat.

Fire is a natural component of many of this nation's forests. However, before we can safely reintroduce fire back into the landscape, mechanical treatments in the form of thins and timber harvests will have to be conducted. Such thinnings reduce the fuel loads on forests that have become too thick with trees and brush over the last 100 years.

We must remember that the trees in these forests are not going to live forever. Under the current conditions in our forests, we have only two choices. We can either harvest the trees and follow the harvests with prescribed fire to actually improve forest health and habitat quality. Or we can sit by and watch as unnatural infestations of insect pests kill the trees and degrade the habitat. In many habitats, these infestations will be followed by catastrophic wildfires like the ones we have all watched destroy forests, homes, communities and human lives in recent years.

In closing, we must remember that by keeping fire out of our forests for these past 100 years we have created a problem that we cannot fix in a few weeks or even a few years. There is no quick fix.

The Healthy Forest Restoration Act offers the beginning of the solution. This bill can ONLY succeed with proper implementation and adequate funding. I urge the Committee to work for full funding so we can reclaim our forests and over time restore the forest systems that have supported our country for hundreds of years. Thank you.

DOCUMENTS SUBMITTED FOR THE RECORD

JUNE 24, 2004

Statement of the
National Association of Conservation Districts
Gary Mast, President
Relative to
Implementation of the Healthy Forests Restoration Act

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United States Senate
Committee on Agriculture, Nutrition and Forestry
Subcommittee on Forestry, Conservation and Rural Revitalization
June 24, 2004

The National Association of Conservation Districts is the nonprofit, nongovernment organization representing the nation's 3,000 conservation districts, their 16,000 board members and 7,000 employees. Established under state law, conservation districts are local units of state government charged with carrying out programs for the protection and management of natural resources at the local level. Conservation districts work with a number of federal, state and other local agencies, as well as the private sector to provide technical and other assistance to millions of landowners and other partners to achieve this end. They provide the critical linkage for delivering conservation programs on nearly 70 percent of the private land in the contiguous United States.

In carrying out their mission, districts work closely with the USDA's Forest Service, Natural Resources Conservation Service and the Interior Department's Bureau of Land Management to provide the technical and other help private landowners need to plan and apply complex conservation treatments on forest, range and other working lands.

On behalf of America's conservation districts, I am pleased to provide you with our insight on the role conservation districts play, and can play, throughout the country in hazardous fuels reduction, woody biomass utilization and forest planning—all components of the Healthy Forests Restoration Act (HFRA).

In my comments, I would like to address the following subjects in support of the various components of the HFRA and the role conservation districts are playing to make this initiative successful:

- Collaboration with Local Communities
- National Fire Plan
- Biomass Utilization
- Hazardous Fuels Reductions: Helping Local Economies
- Watershed Forestry Assistance
- Forest Land Enhancement Program

Collaboration with Local Communities

Conservation districts are leading the charge in many areas related to forest health management. Title I of the HFRA called for collaboration with local communities in prioritizing and implementing hazardous fuels reduction projects. The Trinity Resource Conservation District in California took those initial steps by being part of the county's Fire Safe Council, made up of representatives from numerous state and federal agencies, local communities and a variety of citizen groups. Fire Safe Councils help communities identify and address wildfire risks and locate sources of funding to address those risks.

National Fire Plan

NACD and conservation districts embrace the National Fire Plan and the implementation of the 10-Year Strategy. We support priority setting within local communities and districts are engaged in this process. NACD recently entered into a cooperative agreement with the Bureau of Land Management and Forest Service to develop, promote, and improve woody biomass utilization. Other partners in this effort include the Interior Department's Bureau of Indian Affairs, National Park Service, Fish and Wildlife Service, the cooperative National Fire Plan and the National Association of Resource Conservation & Development Councils.

Under this agreement, NACD is providing resource materials and information to local conservation districts for use in educating landowners and others on the issue. The goal of this initiative is to help increase public understanding of the social, economic, environmental and aesthetic benefits gained by using woody biomass as a means of reducing fuel buildup on public lands.

We believe more cooperative efforts such as this are needed. Involving local communities and landowners is the ideal way to ensure the success of the Healthy Forests Initiative, the National Fire Plan and other efforts in wildland fire management.

Conservation districts also support other collaborative efforts of the Interior and Agriculture Departments in conducting fuel reduction treatments in the urban wildland interface on federal lands that are at risk from wildfire. To maximize their effectiveness, we believe these collaborative fuels hazard reduction efforts should include:

- A landscape scale approach with the support and involvement of local constituents;
- Cross boundary mitigation;
- Coordination of federal, state and local government priorities, project design and implementation strategies to maximize effectiveness and minimize costs; and
- Project designs that consider restoration of ecosystem structure, native composition and natural fire regimes.

Additionally, we support full funding for the Community and Private Lands Fire Protection program, established in the 2002 Farm Bill. To date, Congress has not funded this important tool for communities and private landowners to use in addressing their forest health goals. We ask that Congress support funding this program.

Biomass Utilization

Districts are heavily involved in woody biomass utilization, a key component of the HFRA. Excess woody biomass is exacerbated by the long-term drought plaguing much of the country and insect infestations, which in turn raises the danger of devastating wildfires that destroy wildlife habitat, communities and human life. Conservation districts strongly support efforts to reduce hazardous fuels build up, develop new and innovative technologies to use woody biomass and to educate the public about proper forest management.

The decline of the forest industry in the West contributes to the problem by removing many business options for utilizing woody biomass. Distances from markets and the high costs of transportation make utilizing woody biomass even more difficult.

Conservation districts applaud the Congress for its quick action on the HFRA. Its funding and implementation through the National Fire Plan provide opportunities for local communities and organizations, including conservation districts, to become engaged in fuels reduction projects and education. Commitment from Congress and the administration to this end is crucial to the success of this effort.

Conservation districts and resource conservation and development councils (RC&Ds) already have in place a number of cooperative agreements with federal land management agencies to promote, and improve the utilization of woody biomass in order to reduce catastrophic wildland fires and restore forest, woodland, and rangeland health.

In the Nevada Tahoe Conservation District, located in Stateline, Nevada, forest conditions in areas surrounding Lake Tahoe are indicative of many areas in the Western US experiencing an accumulation of excess fuels leading to reduced resistance to wildfire, disease and insect infestations. These large quantities of biomass are not merchantable as wood products or through other manufacturing industries. However, utilization of this biomass for energy offers a potential economic use for this material, which would help reduce fuel loads.

The conservation district recently completed a woody biomass resource and technology assessment for the Lake Tahoe Basin. The study quantifies the Basin's biomass resources and costs, analyzes biomass energy technology performance characteristics, assesses local opportunities for using the material, and summarizes the results of initial planning on a pilot project conducted in conjunction with the Lake Tahoe Unified School District. The study showed there are opportunities for small-scale biomass energy systems to be deployed in the Lake Tahoe Basin.

As a result of the Biomass Feasibility Assessment, sponsored by the district, the Lake Tahoe Unified School District is pursuing funding to purchase a co-generation boiler system to be deployed in the local high school. Biomass to run the new system will be supplied by Basin land management agencies from fuels management projects.

To that end, there is a need for more grant and funding opportunities for local conservation districts and partners to be able to carry out comprehensive assessment like the one completed by the Nevada Tahoe Conservation District. Without those opportunities, long term planning for utilization of biomass for energy and other purposes cannot be done.

Hazardous Fuels Reductions: Helping Local Economies

The Western Shasta Resource Conservation District in California maintains 25 full-time employees and uses many services offered by the local community all in the name of hazardous fuels reduction. The district has several fuels crews that need working equipment, fresh supplies and good tires and diesel fuel. Supplying the needs of the crews helps the local economy—the local vendors appreciate the business and the economic activity generates local tax revenue. Additionally, the district maintains a list of local contractors for landowners who want to conduct fuels reduction on private lands.

Another important tool for local economies is the Economic Action Program (EAP). EAP is the only federal program that targets forest-based economic development. The program is designed to find local solutions to forest health concerns and bring economic stability to communities. This is essential to finding markets for overstocked forests and revitalization for local communities. NACD supports $27 million for this program for fiscal year 2005.

Watershed Forestry Assistance

The Watershed Forestry Assistance Program and its companion Tribal Watershed Forestry Assistance program, authorized by the HFRA, will provide assistance to watersheds by addressing threats to forest and rangeland health. Conservation districts, working with the state forestry agencies, could help deliver these important programs by providing technical and educational assistance. NACD supports full funding of these programs. We urge Congress to provide $15 million for the state program and $2.5 million for the Tribal program.

Forest Land Enhancement Program

We are troubled concerning the future of the Forest Land Enhancement Program (FLEP), which is authorized at $100 million in mandatory spending through 2007. In fiscal year 2003 $20 million was made available for FLEP. In 2004 $10 million was apportioned but then frozen by the White House Office of Management and Budget. The President's 2005 budget proposes to cancel the remaining $70 million authorization. We understand others are proposing to repeal the program or not allow funding for its administration. During the discussions leading up to the enactment of the Farm Bill, conservation districts strongly supported FLEP's purpose to assist forestland owners improve the long-term sustainability of nonindustrial private forest lands and continue to do so. We are very much opposed to dismantling this crucial program—especially without even allowing it a chance to succeed.

Conclusion

The nation's conservation districts believe that there are yet many opportunities to develop biomass potential and turn hazardous fuels into useful and valuable products and look forward to continuing our partnerships with the various federal and state agencies that are responsible for managing the nation's public forests and rangelands, as well as continue to provide services to local citizens, including forestland owners, farmers and ranchers.

We appreciate the opportunity to provide the subcommittee with our views.

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STATEMENT OF JEFFREY HARDESTY
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BEFORE THE
FORESTRY SUBCOMMITTEE, COMMITTEE ON AGRICULTURE
UNITED STATES SENATE

Oversight Hearing on the Healthy Forests Restoration Act
June 24, 2004

Mr. Chairman and members of the Subcommittee, thank you for the opportunity to provide written testimony for the Subcommittee's oversight hearing on implementation of the Healthy Forests Restoration Act. The Nature Conservancy has a long-standing interest in abating the threats to human communities and biodiversity caused by altered fire regimes. As the Director of the Conservancy's Global Fire Initiative I am pleased to present the Conservancy's views on this important topic.

The Nature Conservancy is dedicated to preserving the plants, animals and natural communities that represent the diversity of life on Earth by protecting the lands and waters they need to survive. The Conservancy has more than 1.1 million individual members and over 1,900 corporate sponsors. We currently have programs in all 50 states and in 27 other nations. To date our organization has protected more than 15 million acres in the 50 states and Canada, and has helped local partner organizations preserve over 102 million acres in other nations. Our conservation work is grounded in sound science, strong partnerships with other landowners, and tangible results at local places.

In the U.S., altered fire regimes are the result of more than 100 years of fire exclusion, often coupled with incompatible forestry and grazing practices, and complicated by global climate change. The Nature Conservancy has identified more than 107 million acres of critical lands where biodiversity values are at serious risk of degradation from altered fire regimes. The problem is particularly acute in short interval, low intensity fire regimes, such as ponderosa pine and longleaf pine ecosystems. The trend in such areas is toward fires of increasing intensity and severity that threaten ecosystem health as well as life and property, especially in the ever-burgeoning wildland-urban interface. Nevertheless, millions of acres of ecosystems are still in good condition, and the management goal on those lands ought to be to maintain ecological processes such as fire.

Over the past 40 years The Nature Conservancy has successfully restored and maintained natural fire regimes on thousands of acres of its own lands and has worked cooperatively with state and federal agencies and private landowners to manage fire-adapted ecosystems on hundreds of thousands of additional acres. In doing this the Conservancy has developed a

conservation framework that relies on adaptive management, including setting measurable ecological goals, monitoring to ensure those goals are met and working at a landscape scale.

Under the auspices of the National Fire Plan, The Nature Conservancy is working with partners to restore ecosystems and reduce hazards to communities. One successful effort has been the Fire Learning Network – a unique collaboration with agencies and local communities. The Fire Learning consists of 25 landscape-scale projects that include more than 200 partners and approximately 45 million acres of high priority conservation areas, plus support of another 25 projects totaling an additional 20 million acres. One of the most important goals of the Fire Learning Network is to demonstrate that it is possible to restore ecosystems while also reducing wildfire hazards to people. In each of these projects, stakeholders – from community groups to federal agencies – come together to develop a shared vision of the desired future ecological condition of the landscapes they call home, and develop socially acceptable and economically feasible strategies for overcoming the barriers to treatments. Throughout, we emphasize the important of using good science, monitoring and adaptive management. The next phase of this project is a series of Regional Fire Learning Networks to continue the on-the-ground fuels reduction work.

The Conservancy commends Congress and the Administration for focusing attention and resources on the problem of altered fire regimes, and we are committed to working with federal and state agencies and communities to reduce hazardous fuels and restore ecosystems. We also believe that several titles of HFRA respond to critical forest health problems and deserve attention in the appropriations process. While my testimony focuses on Title I, I am also providing comments on Titles III and V of the Healthy Forests Restoration Act.

Hazardous Fuels Reduction on Federal Land and Arkansas's Interior Highlands Project

Title I of the Healthy Forests Restoration Act provides opportunities for the agencies to work with partners to reduce threats to communities and restore ecosystems at large scales. I would like to highlight the Forest Service's Interior Highlands Restoration project as an example of how the agencies can work collaboratively to accomplish these goals. We believe that funding and resources should be directed to projects that demonstrate the principles discussed below.

The Interior Highlands (Ozark and Ouachita Mountains) are dominated by an ecosystem of open oak woodlands that is the largest contiguous remnant of a habitat type that once stretched from Oklahoma to the middle Appalachians and Eastern seaboard. Over 200 species of animals and plants are found only in the Interior Highlands and nowhere else on earth. For over 12,000 years, fires shaped and maintained an open landscape of exceptional biological diversity. After settlement, the oak woodlands were extensively cut and the fires were suppressed, and the current dense forest ecosystem is under stress. Plant and animal populations have decreased by orders of magnitude, wildlife habitat values are low, and the ecosystem has become vulnerable to catastrophic changes such as recent insect and pathogen outbreaks that have resulted in the mortality of over one million acres of oaks. Oak mortality is also contributing significantly to increased hazardous fuels in the wildland-urban interface.

In the Spring of 2002, following this Subcommittee's hearings and a regional conference to examine the cause of forest health decline, the Oak Ecosystem Restoration Team was formed to address forest health issues in Arkansas. This team of fifteen scientists has created five large public-private demonstration sites—over 200,000 acres total—in the Ozark and Ouachita National Forests. They are:

- Six projects on the Bayou RD, Ozark NF — 59,700 acres
- Little Piney Watershed Project on the Pleasant Hill RD, Ozark NF — 50,000 acres
- Broken Bow Project on the Oklahoma RD, Ouachita NF — 51,000 acres
- Little Missouri Watershed Project on the Caddo RD, Ouachita NF — 33,000 acres
- Special Areas Project on the Mena-Oden RD's, Ouachita NF — 16,000 acres

The most advanced demonstration site is located on the Bayou Ranger District of the Ozark/St. Francis National Forest. Specific project activities include the application of periodic prescribed fire and commercial and non-commercial forest thinning. This project demonstrates many of the ways in which agencies can work together with stakeholders to reduce hazardous fuels and achieve ecological restoration.

- Community Involvement and Collaboration. Through project development and the NEPA process, a variety of public and private partners collaborated on this project, including: the U.S. Forest Service, the U.S. Fish and Wildlife Service, University of Arkansas, Arkansas Wildlife Federation, the Arkansas Natural Heritage, the Arkansas Forestry and Game and Fish Commissions, The Nature Conservancy and local communities. The project is supported by congressional members from both political parties and the Governor of Arkansas, and members of local communities were active proponents of individual site restoration projects.

- Large-Scale Hazardous Fuels Reduction. Truly addressing the problem of altered fire regimes requires action at large scales. The landscape-level goal of this project is to restore, in the short term, 500,000 acres of the oak ecosystem of the Interior Highlands to a more sustainable ecological structure and to reduce hazardous fuels and improve forest health. The Forest Service is currently burning 130,000 acres per year on the Ouachita National Forest, and at least 80,000 per year on the Ozark National Forest.

- Ecological Restoration. Fuels reduction projects must be designed to meet ecological restoration goals. In Arkansas, the cornerstones of the Forest Plans are desired future conditions, agreed upon by partners including scientists. If these goals are met, there is strong evidence that the forests will be restored to healthier conditions. The Interior Highlands project includes a cost-effective monitoring program that helps managers understand the impact of their treatments, and adjust their actions accordingly. The monitoring program has been a success because it has helped managers demonstrate tangible progress towards collaborative desired future conditions, has been done at low cost and has helped build public trust – all goals that are consistent with HFRA's monitoring requirement. In addition, significant increases in biodiversity, reduction of hazardous fuels and improvements in forest health have been documented.

- Education and Leverage. Given the scope of the problem of altered fire regimes, success will be determined by the public's understanding of why treatments are needed, and when lessons learned are transferred to similar ecosystems. In the Interior Highlands, the Conservancy and its partners are now working on ways to interpret each demonstration site—trails, handouts, tours and workshops are some examples—for a variety of audiences. The team has also continued an annual weeklong prescribed burn workshop for natural resource managers to share best practices. The information gained as part of the restoration projects is being used in national forest plan revisions and the Arkansas state wildlife conservation plan.

- Stewardship Contracting. The Conservancy believes that Stewardship Contracting can be a useful tool to facilitate ecological restoration while supporting communities. The Conservancy will work with the Forest Service and other partners to develop a Stewardship Contract on the Bayou Ranger District with the goal of achieving desired future conditions on the ground.

Private Landowner Incentives

The Healthy Forests Restoration Act recognizes that healthy forests across the United States provide many important values to the people of our country, values that are now threatened by rapid change in land use and land ownership, financial pressures on forest land owners, invasion by pests and pathogens and reduced resources for public and private forest management. HFRA includes innovative responses to these threats and their impacts on water and habitat for listed species.

Watershed Forestry Assistance

Since the very beginning of our long conservation tradition, Americans have recognized the close relationship between healthy forests and clean and abundant water. Many early national and state parks and forests were established for the express purpose of protecting water resources. That function of forests has never been more important than it is today. In the West, the long drought combined with population growth has brought water levels and reserves to historic lows. In the Southeast and Northeast, where water was thought to be abundant, states and communities are in conflict over water supplies. Natural systems (and recreational uses) often suffer from excessive and unsustainable water withdrawals for other purposes. Generally speaking, forested watersheds hold water and slowly release it in times of drought, and hold it back in times of flood. When forested watersheds are damaged or unhealthy, water quality and the reliability of supply decline quickly. New York City has shown how planning and investment in the watersheds of its reservoirs can avoid far more expensive remedial actions downstream.

HFRA Title III, Watershed Forestry Assistance, is designed to provide financial, technical and educational assistance to promote forestry practices that protect, manage and restore water quality on nonfederal forested and potentially forested lands. Funding would allow State forestry agencies to work with communities, nonprofit organizations, local watershed councils and individual family forests to complete projects within State determined priority

watersheds. Cooperative efforts to plan for the conservation and restoration of forested watersheds can mobilize the resources to accomplish significant on-the-ground conservation.

Funding of Title III at the authorized level would allow pilot projects to move forward with the guidance of the states, and produce tangible benefits for communities and for our country's highly threatened aquatic ecosystems. While the amount of money involved is small, the potential impacts are great and respond directly to our nation's growing water crisis.

Healthy Forest Reserve Program

Title V, the Healthy Forest Reserve Program, establishes incentives to assist private landowners in protecting and restoring habitat for endangered, threatened and rare species through a combination of conservation easements and management payments. As in the case of Title III, the Healthy Forest Reserve Program responds to a practical and on-the-ground problem—in this case the real and widespread need to create incentives (not just regulations) to encourage private landowners to manage their forests to benefit listed species.

Title V should be funded at its authorized level to support several pilot projects to test out this important new approach to habitat conservation. Title V might be particularly effective in conserving the highly endangered longleaf pine forests of the South and in encouraging forest conservation that could assist in the protection of salmon runs in the Northwest. The assignment of the program to the NRCS offers the opportunity to accomplish habitat conservation through processes familiar to rural forest landowners.

Mr. Chairman, thank you for the opportunity to testify on restoring fire-adapted ecosystems and on taking innovative steps to address other forest health problems.

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